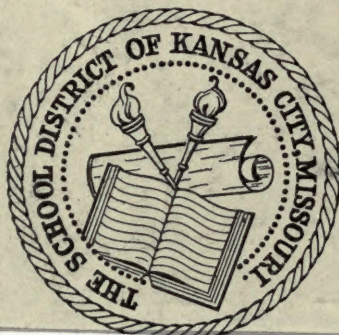


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New York's 1937 Election and Its Results

George H. McCaffrey

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Engineering Index Service, the *Index to Legal Periodicals*, the *Inter-
national Index to Periodicals* and in *Public Affairs Information Service*.

The League's Business

League Committees Meet.—Several of the League's committees took the opportunity offered by the recent conference at Rochester to plan meetings for the discussion of committee assignments.

The *Committee on Revision of the Model City Charter* heard and discussed the reports of its subcommittees.

Since the Rochester meeting, plans have been made for another conference of the committee to be held February 12th and 13th at the Hotel Shoreland, Chicago. President C. A. Dykstra of Wisconsin, the League's new president, will preside. In addition to members of the committee it is expected that the following representatives of the public official organizations concerned with provisions of the charter will be among those who will participate:

Carl H. Chatters, executive director, Municipal Finance Officers' Association; G. Lyle Belsley, executive director, Civil Service Assembly of the United States and Canada; Fred K. Hoehler, executive director, American Public Welfare Association; Clifford W. Ham, executive director, American Municipal Association; Donald C. Stone, director, Consulting and Research Division, Public Administration Service; Frank Herring, executive director, American Public Works Association; Coleman Woodbury, director, National Association of Housing Officials; and Walter H. Blucher, executive director, American Society of Planning Officials.

The conference will discuss those sections of the new model charter on which there has not as yet been any final agreement.

The *Committee on the Improvement and Standardization of Municipal Fiscal Affairs* laid plans for a large national committee to be composed of a hundred men and women. Arnold Frye, a member of the New York City firm of Hawkins, Delafield, and Longfellow, authorities on municipal legal questions, was named temporary chairman. He was authorized to appoint an executive committee of five to effect organization. The purpose of this large committee will be to assemble views of existing organizations and groups and prepare drafts of four or five model laws which can be used by associations of state and municipal officers, members of legislatures, taxpayers associations, commercial organizations, and investors in municipal securities as the basis of desired legislation.

The *New York State Committee* of the League, headed by Dr. Rodney L. Mott of Colgate University, *chairman*, considered an agenda which had been prepared at a previous meeting. Among matters discussed by the committee were the following: extension of city home rule, machinery to insure clean elections, power to amend the state constitution by large petition and popular vote, various phases of the civil service, authorization of city boards of education to establish capital budget reserves to provide in advance for replacement of school buildings, consolidation of county reorganization laws, establishment of a legislative council, and repeal of laws in regard to mandatory salaries in local government.

* * *

Dr. Dykstra Heads Political Science Group.—The American Political Science Association, at its recent annual convention in Philadelphia, elected Dr. C. A. Dykstra, president of the University of Wisconsin and of the National Municipal League, as its president.

* * *

Death of Dr. John Randolph Haynes.—We regret to record the recent death of Dr. John Randolph Haynes, for many years one of the League's vice-presidents. In this connection the following resolution was adopted by the League at its recent annual meeting in Rochester: "Resolved, that the members of the National Municipal League, in convention assembled, express their deep regret at the loss of Dr. John R. Haynes of Los Angeles, honorary vice-president of the National Municipal League, who has over a long period of time rendered extraordinarily distinguished service in the constant battle for improvement in state and local government."

* * *

Apologies.—In the announcement of the League's annual conference in this department for October, Mr. Pierre Boucher was listed as secretary of the Montreal Metropolitan Commission, whereas Mr. Boucher is secretary of that commission's planning and research department. Mr. E. T. Sampson is secretary-treasurer of the organization. Our apologies to Messrs. Boucher and Sampson.

HOWARD P. JONES, *Secretary*

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Editorial
Comment

January, 1938

Morning Glories in January

GEORGE WASHINGTON PLUNKITT, Sachem of Tammany Hall a generation ago, who distinguished himself by drawing salaries in three public offices at the same time and by growing very rich during a "public" and political career, was quite a philosopher in his way.

One of the gems that came from beneath the silk hat he wore after he decided he had become a statesman was this: "Reformers are only mornin' glories . . . can't last in politics. Politics is as much a regular business as the grocery or the drygoods or the drug business."

This idea may have been discredited in many other parts of the country but, until New Year's Day of 1938, it remained fact in the largest city in the United States. No "reform" administration there had ever succeeded itself. The spoilsmen always took popular uprisings good-naturedly because they knew that presently the people would tire of the self-righteous "good government" crowd and would return to the free-and-easy methods.

But Fiorello H. LaGuardia has upset this as well as a thousand and one other precedents. To say that his administration went back into office because the people at large appreciated and approved his splendid record of reorganizing the city's government on a non-political, efficient, honest basis would be to tell only a part of the story. Indeed, it probably will take some years to weigh

properly the various influences which resold this little son of the new immigration to a city like New York.

He was a good "showman." What he lacked in the kind of "wisecracks" that helped Jimmy Walker, he made up for in his flare for dramatizing the completion of great bridges, playgrounds, parks, and other public works. He knew the method, but very deliberately would not permit formation of a permanent political organization, although even his good friends fought with him about it. He alienated strong political allies by denying he owed them anything in the way of patronage, but always he appointed men who honored their jobs by being outstandingly equipped to handle them and did them well. Friend and foe alike at first were irritated by his temperamental outbursts and door-slamming departures from official meetings at which the tide was going against him, but soon they began to accept these incidents as manifestations of his colorful, intense nature; and to the man in the street he endeared himself even more because they seemed (with joyous approval) to sense that the mayor was just putting on another act in his dragon-slaying performance. Even his enemies grant that LaGuardia is thoroughly honest and completely upright, while at the same time his success has driven home the fact that he is so politically shrewd that he has been able easily to thwart virtually every bit of political knavery designed to upset him.

More significant to the country at

large, however, than the personality involved are the results: that the country's largest city has taken its second great stride in its march toward outstandingly good government, fully armed with a businesslike city charter, a board of estimate which will support instead of sabotage the chief executive, and a dis-

trict attorney who startled the country with his effective tactics against the world's biggest rackets. Considering the mayor's overwhelming mandate from the voters, even the one weak spot—the possible slight majority of political opponents in the city council—probably will not present too great a difficulty.

Unemployment Relief

AT THE National Municipal League's recent national conference on government at Rochester, greatest interest was in the sessions on unemployment relief and social security. Papers read there by some of the outstanding authorities in this field, which concerns itself with as vital a problem as the

world faces today, constitute some of the most important and timely contributions as yet offered. To make them as useful as possible to the many who must have available the best thinking and planning on the subject, the NATIONAL MUNICIPAL REVIEW brings these papers together in this issue.

The "Continued Story"

ONE month ago, in accordance with a large city's efforts to eliminate broken sidewalks, a large area of new cement was laid in front of a branch post office. Last week workmen appeared and started to cut great holes in it. Startled passers-by were told that a long-planned project to put certain power lines under ground was starting.

It's the old story all over again: wasteful lack of coördination between city departments, the right hand not knowing what the left hand is up to. Similar situations have long existed in all parts of the country, ever since the beginning of water, sewer, and gas services, and becoming more aggravated with the

policy of eliminating overhead wires. The picture is familiar. With distressing regularity, new pavement is laid, soon to be re-opened for sewers, again for water, yet again for gas, and again and again until the resulting mess made entirely new pavement necessary.

Today's sidewalk destroyers mentioned here are at work in a city which is outstanding for its planning activities—no need to name it, this happens everywhere. But it does seem elemental that a simple routine could be adopted which would notify each possibly interested department of the reconstruction plans of all related departments.

Public Welfare, Retrospect—Prospect

WILLIAM HODSON

Commissioner of Public Welfare, New York City

During the short space of time covered by the depression years the country has traveled the long road from poor law to social security

DURING the past ten years many fundamental changes have occurred in the American way of thinking about common problems and in the American way of seeking remedies for the difficulties which beset us in industry, in government, and in our community life. Nowhere are the changes more striking than in the matter of protecting human beings against hardships which individuals themselves cannot foresee or which they individually are unable to avoid. The changes in thinking and in action which have occurred are typified by the phrases which we use to describe our activity in aid of human beings. We have abandoned "poor relief" and have adopted "public assistance." We no longer talk about "charity" but about "public welfare," and from the more humane basis of public assistance and public welfare we are moving toward social justice, which includes governmental aid in the establishment of insurance against such hazards of life as unemployment, old age, and dependent childhood. Before long, we shall extend these insurances into the area of health care and health insurance as a next step which is obviously and urgently needed.

In the period prior to the depression, the job of caring for people who were in need because of ill health and unemployment was the responsibility of private philanthropy or of local poor law officials, working for the most part under laws which were punitive in content and which were harshly administered in order to prevent people from asking for assistance. There was some

recognition here and there of the fact that some groups of people were justified in seeking help out of their difficulties and should be encouraged rather than penalized for seeking such assistance. For example, in many states we had laws providing for assistance to mothers with dependent children, because the place for a child was in his own home with his own mother and to keep him there was an economy as well as a positive asset for the state. Likewise, we had the beginnings of public help for old folks, who were no longer able to work and whose earnings had not been sufficient to enable them to lay by sufficient savings to maintain them in the remaining years of their lives. Consequently, old-age assistance laws lifted the old folks out of the harsh realities of poor relief as it was administered and, perhaps, still is administered in some parts of the country today. These were some of the steps which marked the trend from poor relief to public assistance and the essential difference was in the spirit with which the task was undertaken. Public assistance was being recognized as self-respecting and without stigma, whereas the old poor relief was intended to be disreputable and degrading in order that people would not ask for it and thus impose burdens upon the public treasury and the taxpayers. We have come to realize that there is nothing degrading about taking relief when it is needed. The shocking thing is that men cannot get jobs to support themselves and their families and have to depend on relief to keep body and soul together.

The tendency in America in some quarters to ridicule and disparage the unfortunate men, women, and children who are on relief probably grows out of a sense of frustration, as well as ignorance of the true facts. The uninformed taxpayer is conscious only of the size of his tax bill and he wants to punish somebody for it. And so, without understanding the plight of the man on relief and his family, the taxpayer proceeds to berate him as a lazy ne'er-do-well. The people in this country who know better than that have been saying so for a long time. Recently a magazine of business, nationally known and printed on bond stock with many pictures, has undertaken to study this question and to tell the truth about it. Here are its findings:

1. People on relief are *not* bums.
2. Industry did *not* fire them because they could not do their job.
3. Industry has taken back only about half of them since 1935, the rest for the most part unemployed.
4. The people on relief are mostly unskilled rather than skilled.
5. Many of those left on relief are unable to work because of age or disability.

These conclusions ought to rid the American people of many of their prejudices and misunderstandings, and help the nation as a whole to view its relief and public welfare problem with sympathy and understanding.

FEDERAL GOVERNMENT STEPS IN

It was not until the coming of the Roosevelt administration in 1933 that the federal government recognized its responsibility in caring for people who were in need and in protecting them against the hazards of life. It had been accepted as unassailable truth that the whole burden of public assistance rested upon the localities, with such aid as the states in their individual wisdom might see fit to give. Then came federal

grants-in-aid to the states in order to care for the heavy burden of unemployment relief. The establishment of FERA was a sharp break with the traditions of the past and met with determined opposition in various parts of the country. Then followed the withdrawal of the federal government from financial aid for direct relief and the assumption of responsibility by the federal government for work relief in providing jobs for the unemployed. In 1935 the President signed the social security bill, which established a joint partnership between the federal, state, and local governments in providing public assistance to the dependent old, to the dependent blind, and to mothers with dependent children. Thus, we were emerging from local charity to public welfare in the broad sense, on a national scale and with every level of government joined in a coöperative effort to help those in need.

The social security program, however, goes further than merely providing direct grants on a needs basis to provide minimum subsistence. We now have a national program of old-age pensions and of unemployment insurance, which gives us the beginnings of a real program of social justice and insurance against the hazards of old age and unemployment. As we look forward to the future, our problem is to broaden and deepen this program through the insurances and special forms of assistance, which will prevent people from falling into the pit of destitution and thus remove them from the "means" test as a basis for public assistance. We cannot keep millions of families under public scrutiny and public surveillance indefinitely, as the widespread application of the means test makes necessary. Direct relief on a needs basis will always be necessary as a supplement to the insurance systems, which tend to be inflexible and which do not provide for emergencies or unusual cir-

cumstances. In a measure, it is the inflexibility of the insurance systems which makes them so easy and simple to administer and it is the greater elasticity of the direct relief system which makes it somewhat more difficult and expensive to administer.

INSURANCE VERSUS RELIEF

It is clearly desirable to increase as rapidly as possible the number of persons who are taken care of in periods of unemployment through unemployment insurance and whose old age is provided for through the old-age insurance benefits. As quickly as possible, we must provide for the care of persons who are sick through a suitable plan of health insurance. In all of these ways, we can reduce the number of persons who are dependent upon direct relief. It is interesting in this connection to note that in 1926 there were over a million persons receiving old-age grants on a needs basis in England, whereas in 1935 this number declined to 662,000 and the decline was due to the increasing number of persons who got old-age pensions under the contributory insurance plan. Our problem in this country at the moment is to overcome the temporary handicap which exists in our old-age assistance program because for some time to come benefits for old people will be more adequate under the public assistance program on a needs basis than they will be under the old-age annuity plan.

When Mayor LaGuardia came into office in 1934, he established as the motto of his administration, "To the victor belongs the responsibility for good government." I have had a unique experience in directing a major department of government without the interference of politics or of politicians and with a chief executive who insisted upon the complete divorcement of relief from politics, both from the standpoint of the relief recipient and from the stand-

point of the appointments on the staff of the relief bureau. We have sounded the death knell of patronage, spoils, and easy-going administration in the City of New York. These handicaps to good city government now seem like the ancient vices of a political generation which is past and gone. The Department of Public Welfare has had the inspiration of working in a fresh, clean atmosphere, freed of stuffy, political impurities. The whole government of the city has been geared to deal with modern problems in the light of modern knowledge. If the social security program and the public welfare program of the country ever get into the hands of the politically minded and the politically powerful, its benefits will begin to vanish like the snow before the rising sun. We shall then find ourselves establishing security for the politicians but not for the needy. When the criterion for employment in public welfare administration is political affiliation instead of merit and when assistance is distributed to the politically faithful rather than the needy, the beneficent purposes of the security legislation will be forgotten, the costs to the taxpayers will become insupportable, and social justice will become an empty phrase so far as the underprivileged are concerned. We must have intelligent, adequately trained people to carry on the greatest task of government today. If the social welfare program with its millions of people receiving benefits from the public treasury ever becomes the football of politics, the undermining of democracy in this country will have begun. A politically controlled social welfare program is the greatest instrument which Fascism could mold to its own purposes.

LOW WAGE LEVELS

We have a serious dilemma to face in our direct relief program. It is an unpleasant fact that in some industries in some parts of the country annual

wages are too low to maintain families at a minimum subsistence level. It is true, of course, that wages are fixed in accordance with the nature of the job regardless of the size of the family, so that a worker with a small wage and a large family is under a double handicap when compared with the worker with a small wage and a small family. On the other hand, it is accepted that people on relief must have minimum subsistence in order to maintain health and decency. Thus, we are faced with the anomaly that for some people relief is more adequate than wages. This is a shocking result and it is obvious that a floor must be established for annual wages throughout the country, which will not have trap doors through which people fall to the level of destitution. At the same time the unemployment insurance program must be extended so that all employed persons will ultimately be protected against this hazard. The benefits under the federal old-age annuity plan must be enlarged and these benefits must be paid at an earlier date than was originally planned. With these changes and with proper supervision for those who are ill and unable to work, we shall take a further step toward social justice. We shall never have social justice and social security in the complete sense of those terms. The most we can hope for is constant, steady and substantial progress toward the desired goals and as we approach those goals they will recede and larger and more distant goals will take their places.

Now a word with respect to the financing of relief. It is evident that we cannot go on with broad scale borrowing to meet the problem of public assistance. Expenditures must be met out of current revenues in some way. Since October 1934 New York City has been on a pay-as-you-go basis, and it has not incurred any debt obligations.

If it had continued to borrow it would now be in debt for relief purposes alone to the extent of about \$198,000,000. That is one reason why the credit of the City of New York is high today.

It is just as obvious that the national government cannot go on borrowing forever for relief. There should be a national pay-as-you-go program as well as a local one. I am one of those who believe with Senator La Follette that income taxes will have to be increased in the upper brackets and that exemptions must be lowered so that many thousands in the small income class would bear directly some share of the governmental costs. This is one step in meeting the problem of more revenue.

The great need in America today is for hard, straight thinking on our social problems and clear-headedness and common sense in their solution. We still have jobless people and old folks who are in need, and sick people who cannot work to maintain themselves, and we have the victims of industrial accidents. Despite all that has been accomplished, it is obvious that much remains to be done. The great hope of the American people is that industry and business will revive so that every person capable of doing some kind of work will have an opportunity to maintain himself and his family in self-respect on the job.

While we are searching for our remedies, both in the field of industry and in the field of the social insurances, let me urge against hasty and ill-considered legislation of the Townsend type. Such legislation is utterly disastrous in its consequences to the people of this country. As we go along, let us keep our feet on the ground, recognize the limitations that must be faced, and develop our program to the farthest limits possible under the conditions which exist at the present time. Whether America's social security program stands or falls, whether

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A New Program for Unemployment Relief

Adequate employment statistics, employment services, long range planning, and retraining among essentials of future relief plans

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THE imposing title of this article sounds like a promise of magic. Do not be misled by it. There are no rabbits to be pulled out of a hat. Magic, after all, is nothing but the inexorable laws of logic in a sugar coating of propaganda. Social workers are not adept at propaganda. Perhaps we overwork the compelling logic of the connection between unemployment and relief. But these logical connections have been too frequently obscured by propaganda totally unrelated to them. Some of us are willing to call a program that has been consistently advocated for the past five years by the professional association of social workers a *new* program of unemployment relief because it has not yet been tried.

Why do we need a new program of unemployment relief? Because the public is tired of unemployment relief as we have known it in the years immediately behind us. The unemployed are tired of it. The business man is tired. And cities and states are tired. This consistent weariness is the result not merely of continued effort and great strain, but of an underlying discontent with the whole business. This discontent is based upon certain popular attitudes. First, unemployment relief seems like an affront to our fundamental ideas about the relationship of work to life. Second, it seems unnatural to supply through governmental resources the means of a livelihood which we have been taught to earn by the sweat of our brow. The only exceptions which we readily admit are cases of flood, earthquake, or other disasters obviously

beyond the control of the individual. Third, the idea that mass unemployment is a disaster equally beyond the control of the individual has not yet been generally accepted. It was more readily accepted in the early days of the depression. Perhaps one should not say it was accepted then, but rather tolerated, for whatever acceptance or tolerance there was for this idea rapidly vanished with the slightest indication of an improvement in conditions. Even thoughtful people, familiar with the facts, expected the relief rolls to decline at a rate at least as rapid as employment statistics improved. It has been difficult to convince even some good statisticians that the only way in which one more job could be certain to cancel out one person on relief would be to have all of the unemployed on relief so that every employment opportunity inevitably fell to a relief recipient. Only a small percentage of the unemployed have been on relief at any one time.

Nevertheless, as conditions improved we began to hear again the same complaints voiced so loudly in 1928, 1929, and 1930, that the unemployed really could find work if they wanted. It is this dilemma of popular unwillingness to understand the problem which current programs have tried to meet. We have attempted to beguile ourselves, the public, and the unemployed out of the dilemma by a formula based on prejudice and not on facts. That formula is the oft-repeated one—"work is better than relief." Obviously no one can quarrel with this proposition. But this is not and never has been the issue. In a period of mass

unemployment we have not been free to choose between work and relief, nor have we been completely successful in our efforts at a sleight of hand combination of the two. Our unwillingness to learn from the experience of other countries has too long delayed our progress in the field of public work on the one hand and public assistance on the other. As long ago as 1909, Sir William Beveridge enunciated what he repeated in 1930, namely, that "relief work has proved not a happy but a disastrous combination. It generally implies something that degrades the name of work and disregards the principles of relief."

Thus, despite some of the magnificent achievements of WPA, the program is bogging down on the false issues out of which it developed. The restriction of federal participation in unemployment relief to WPA has meant that in some places there is neither work relief nor direct relief and in no one place is the combination of the two adequate to meet the needs of the unemployed. In some places in the United States industrialists and farmers cry that work relief projects are competing with them for labor. In others, cities cry that they are a serious drain on their financial resources, if not altogether impossible to finance under existing regulations. In still others, projects that could well be pursued require workers whose skills cannot be found among the persons on relief. The workers themselves, labor, and other interested groups cry out that wages are not only not going rates of pay for the type of work performed, but that they do not constitute anything approaching the implications of a "security wage." Yet taxpayers and others object to non-relief personnel working on these projects, since they have been promulgated as relief measures. Some communities express willingness to appropriate funds for work, but not for direct relief because the latter bears the

stamp of disapproval of the federal government.

The list of problems above could be extended ad nauseum. They all arise out of a desire to relieve unemployment and to relieve the unemployed with one bold stroke. The result is that we have done neither. As we face a new downswing in the index of employment, which we euphemistically call a recession, it is more than ever imperative that we face realistically the relative permanence of some degree of unemployment—that we face the facts of industrial displacement and the inevitable realities of human need. Even the most ardent advocate of the present program must seek new ways of meeting a situation that defies the most skillful efforts at over-simplification. If once we grant that government has a responsibility in meeting the needs of the unemployed, then it is inevitable that we develop a *many-sided* program for meeting these needs, not a single formula based on its supposedly popular appeal.

It is this many-sided program, therefore, that I have undertaken to outline, and I recommend it to thoughtful students of governmental affairs for very sober reflection.

The very first requirement in this program is adequate employment statistics. By this we do not mean anything like the census recently taken. The less said about it the better. But industrialists, economists, and statisticians know that it is not impossible, given governmental machinery and industrial coöperation, to make reasonably accurate estimates of labor surpluses and shortages for years ahead—given peace. There is no excuse for a well developed nation to have failed for so many years to put itself in a position to know its own potential work capacity in man power, as well as the capacity of its industrial establishments.

Not only do we require adequate em-

ployment statistics but adequate employment services. Is it not a cause for irony that the first permanent nationwide system of employment exchanges is associated not with the business of aiding in the distribution of employment but rather in the distribution of unemployment compensation? These new facilities must be competently equipped and much more widely used by industry and other sources of employment if they are to be effective in making the connection between the job seeker and the work opportunity. Perhaps the very availability of unemployment benefits may help these services to broaden their scope and increase their effectiveness.

Neither employment statistics nor employment services, however, will be of any avail without long range planning. Personally I am tired of hearing the oft-repeated cliché of the economist to the effect that the frontier is now closed. The frontier, in my opinion, is not closed but is at our very door. The readers of this article could unassisted plan the development of our cities and towns on a broad scale that would afford work projects for a period of from five to fifty years. I refer not merely to our public buildings for which we do some long range planning, but the arrangement of our cities and towns, their parks, their artistic, musical and literary facilities, not to mention decent dwelling places for their inhabitants. Our failure at long range planning is well illustrated by a cartoon that appeared in a Philadelphia newspaper not long ago. The city art museum had just bought Cezanne's famous picture, "The Bathers." The cartoonist, however, drew a picture of a slum dwelling with the plumbing out of order, the roof leaking, and a bedraggled family huddling about a broken stove. Their visitor is William Penn who says cheerily: "Lookit. I bought you a pretty picture." With reasonable planning would there be any

basis for competition between art and a decent place to live?

In order to carry out these plans we require a work program that will be adjusted to our long time plan and to our knowledge of occupational surpluses. PWA and WPA have made a distinguished contribution. They have led the way in showing what is possible in a program of varied and valuable work under public auspices. These programs, however, have been handicapped because they have been limited not by the available skills among the unemployed, but by the very limits of relief needs. A new work program would undertake to take up the slack in employment by occupations, rather than on the basis of need. Thus it would avoid the pitfall of competition with private endeavor. Employment on these projects could be limited by two factors, time and the availability of private employment for people with given skills. Thus we would avoid the tragic illustration of persons whose longest working experience has been on a work relief project, which they feared to leave for the lesser security of a job. Other countries have done this kind of thing with marked success. A program, thus limited, could afford to pay going rates for full time work, rather than the anomaly of an hourly rate, an absurdly short work period, and a so-called security wage. We could then stop projects only for lack of labor as employment picked up, and not as we do now for lack of funds or change of program. A monument to our ineptitude is the city hall of Philadelphia at this moment. Some months ago a project was approved to clean this ancient building. After a period of months, and a substantial appropriation of funds for material and supplies by the city, two and a half sides of the building have been cleaned. Suddenly, a few weeks ago, funds for the project ran out. The scaffolding

remains around the balance of the building, a monument to our lack of planning. Moreover, had this happened in certain other cities, the men employed upon those scaffolds might have remained and starved.

Whether such a situation is the fault of the city or the national government is not the question. It must be obvious that even had the project been completed, the men who worked on it still require some form of public assistance if there are not private jobs for them when their public work is done. The theory that individuals must drop from one so-called level of government to another because the federal government is too proud to provide direct assistance is fallacious. It has been demonstrated conclusively that it is not true that the states and municipalities will do what the federal government does not do. Thus, we have state after state and city after city making no provision for direct assistance, and in these same places there are thousands not cared for by wages from any work program. The fact of the matter is that states and municipalities will do what they can get federal

reimbursement or matching for doing. This is not merely a human weakness applied to governmental structure, but rather a sound principle of sharing responsibility and meeting cost.

Finally, let us not overlook the need for a great program of retraining, part of which could be carried out in connection with a well planned work program. There are in this country thousands of young people seeking work and with no preparation for it. Their idleness is perhaps the greatest social liability of our time. In addition to them, there are thousands of workers industrially displaced because of technological changes, or in some instances because of their own advancing years. Given a knowledge of occupational shortages, retraining for these groups is both possible and necessary. It has been done in other places.

This program is neither fantastic nor impossible. It is, I believe, the program of the future.

EDITOR'S NOTE.—Address delivered before Forty-third Annual Conference on Government of National Municipal League, Rochester, New York, November 19, 1937.

The Impact of the Social Security Act on the Relief Problem

While the social security act has solved some problems, it has created others, since it affects only part of the realm of dependency

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THE repercussions of the social security act on the nature of the relief problem have been so many-sided that any discussion of the significance of its impact must necessarily be somewhat sketchy and impressionistic. Perhaps the most convenient way of indicating what has been happening in the last two years in this country is to discuss the effects of the act from three angles: first, what it has done to the kind of assistance provided for dependent people; second, the effect it has had upon the problem of financing relief of all kinds; third, the repercussions it has had upon the general welfare and relief administrative organizations in the states and localities.

The most obvious consequence of the social security act is that it has put into general effect throughout the country the principle of categorical assistance. Whereas before 1935 special assistance to such categories of dependent persons as the aged, dependent children, the blind, and the unemployed was either in existence in relatively few states or provided by the federal government as an admittedly emergency measure, we now find these types of assistance a general rule in the majority of states.

The widespread development toward categorical treatment of the problem of the dependent has, of course, both advantages and disadvantages. But despite its administrative disadvantages it is easy to see why this development received the support of those who were

concerned about the welfare of dependent groups. In the absence of any social insurance plan it was a method of removing at least some groups of needy people from the old, inadequate, deterrent and demoralizing poor law. For pension legislation in other countries and to some extent our own pre-1935 pension laws differed from poor relief in at least four respects, from the point of view of the applicant. They provided security in the form of a fixed cash payment instead of payments in kind or in an institution. Furthermore, the acts often laid down a specific maximum sum which, however modest, set a new idea of standards, and in fact the payments were usually more generous than those available under the general public welfare system. Second, the test of need applied tended to be less onerous than that applicable under the poor law. Many of the laws permitted applicants to retain certain forms of property and the principle of family responsibility was not always enforced: applicants were not forced down to the destitution level characteristic of the deterrent poor law. In the third place, they provided as a rule for machinery for appeals, which implied that in contrast to conditions under the poor law, the applicant had certain rights to this kind of assistance. Finally, at least in some of the earlier laws, the administrative personnel was different from that of the poor law.

Categorical assistance of this kind was clearly defensible as a method of giving

security in a form less degrading than that of the existing pauper legislation. Unfortunately, however, it is now less easy to defend categorical assistance on this ground. The categorical assistance which has become general under the stimulus of the social security act differs in important respects from the categorical aid as typified in the original English 1908 law or some of our earlier laws.

It is perhaps significant that whereas the earlier forms of categorical assistance were known in general as *pension* laws, the social security act, and following it the acts of most states, now designate this type of relief as *assistance*. It is true that the existing laws under the security act provide for cash payments in the home, and the reference to the thirty dollars maximum in many state laws undoubtedly has spread the idea that this standard is a norm. But the absence of any minimum standards in the security act gives no certainty that the amount of the assistance will in fact be superior to or much different from that available under the poor law.¹ The original economic security bill had provided that in applying the test of need to applicants for old-age assistance account should be taken only of the resources of the applicant and his or her spouse. This provision was eliminated in the act, and a study of the standards laid down in state laws suggests that in most administrations it is still possible, in deciding eligibility, to take account not merely of the income and resources of the applicant on this narrow basis, but also to consider the resources of persons legally liable to support the aged. Finally, while the

right of appeal is recognized in principle in the state laws in conformity with the federal standards, a study of the state assistance laws suggests that in the main the administration of means tests and determination of pension grants will be carried through by the same officials who administer the general relief system.²

To the extent that the older distinction between categorical aid and that available under the public welfare system becomes less marked we may have to face the question whether we have done anything more than introduce, through the social security act, a form of security which differs from general relief only in that it is financed to a certain extent from federal funds.

Whether or not this situation should be remedied by a closer control by the Social Security Board over the standards of assistance and methods of administration depends largely on a decision as to the ultimate objectives of the categorical approach. And in so far as its main justification lies in the possibility it offers of removing groups of dependents from reliance upon an inadequate and distasteful poor law or public welfare system, evaluation of the categorical approach must take into account another of the repercussions of the social security act, namely that in the field of general welfare.

Following on the necessity of developing categorical assistance plans complying with federal standards in regard to state administrative and financial responsibility, many states have, during the past two years, taken the opportunity to revamp their general relief administrations. A study of nineteen of the thirty-nine states which have set

¹A recent study by the Social Security Board of the payments made during the latter part of the fiscal year 1936-37 showed that in ten states 25 per cent of the applicants received sums of less than ten dollars monthly, while the median grant was fifteen dollars or less in fifteen states.

²For example, in Connecticut the chief executive of larger towns and cities can designate members of the local public welfare staff or the local overseer of the poor to receive applications and carry out interviews.

up integrated welfare administrations suggests that in the process many have sensibly modified their general poor relief systems in such a way as to bring the type of assistance nearer to that we have previously thought of as pension assistance. Ten of these laws³ now specifically authorize cash payments for general relief. The phrase "a reasonable subsistence compatible with decency and health" which, however modest, at least suggests standards that differ from those of the old deterrent poor law, is used to define the extent of assistance in the general welfare laws of at least nine states.⁴ Some effort is being made specifically to eliminate the use of the word pauper.⁵ The right to appeal against relief administrators has been extended from recipients of security act assistance to recipients of all forms of relief in at least nine states.⁶

It would, of course, be premature to suggest that any general change in our poor laws has yet to be recorded. The development to which I have pointed is as yet evident in only a few of the state laws. Moreover, it will probably take years before this change in policy as enunciated in the statutes filters down to the county and township authorities charged with the details of administration.

If this development becomes general the case for categorical assistance will be greatly weakened. But until the general level of public assistance has

greatly improved, the case for categorical treatment remains strong, and it is to be hoped that the board will use its influence to insure that the aid given does in fact differ from that available through the public welfare system.

The case for a non-poor-law type of assistance is, indeed, so strong that one may well ask whether we are justified in limiting this type of security to the classes already made eligible for it under the social security act. This is a question which will be especially acute in those states where limited funds are being directed to financing those forms of security which qualify for federal aid, thereby making worse the position of other groups of dependent persons. The challenge of those excluded from categorical aid will be especially acute in the field of unemployment relief. In this field the social security act has caused the states to commit themselves on the categorical issue to a limited extent. Categorical unemployment relief will in the future be available to some twenty-five million workers for perhaps the first sixteen weeks of their unemployment. To the extent that this type of assistance appeals to unemployed persons as being superior to the available alternatives, we may expect demands for inclusion from those in uncovered trades and working for the smaller employers, and for an extension of the benefit period beyond sixteen weeks.

In many ways the question of what kind of security we should provide for the large numbers of unemployed who will not benefit under the unemployment compensation laws has been complicated rather than simplified by the passage of unemployment compensation laws in fifty-one jurisdictions. If we provide a supplementary system that is more favorable to the unemployed than compensation (certain types of work relief programs would fall into this category),

³Idaho, Kansas, Montana, New Mexico, New York, Pennsylvania, South Carolina, Washington, West Virginia, and Wyoming.

⁴Arkansas, Florida, Idaho, Missouri, Montana, New Hampshire, New Mexico, South Carolina, and Wyoming.

⁵E.g., the West Virginia law reads "a recipient of public assistance or of general relief shall not be deemed a pauper. Montana specifically provides that "no application form shall contain what is commonly known as the pauper's oath."

⁶Florida, Idaho, Kansas, Michigan, Missouri, Montana, New Mexico, South Carolina, and Washington.

we run the risk of endangering the prestige of unemployment compensation itself. If we provide no alternative but a general relief system administered on poor law principles we shall, if European experience is any guide, face almost overwhelming pressure to extend compensation to perhaps undesirable limits because the discrepancy between the kind of assistance available under the two systems is so glaring.

THE EFFECT ON RELIEF FINANCING

While the social security act has undoubtedly brought about more orderly measures of financing certain types of relief and has made available federal funds which may be expected to ease to some extent the problem of states and localities in this field, it has inevitably created new and difficult problems.

In the first place the act undoubtedly has led to an increase in the total expenditures for relief. While, as has already been pointed out, in a certain number of states the act has done little to raise minimum standards, it is also true that in others the availability of federal funds has made possible and even encouraged an increase in the standards of relief provided. Many people are now getting assistance who would never have been regarded as eligible under the pre-1935 state laws.⁷

Average benefits paid throughout the states have increased since the passage of the social security act from \$15.57 (average for 1935) to \$18.54 a month (August 1937). At this point we are

not concerned whether this increase means that payments are now being made on a purely political basis to people who do not need them or that need which existed before is now being met adequately for the first time. The important point is that we have created among dependent people a new concept of what adequate state assistance means and thereby have increased our financial commitments.

Similarly, there is reason to believe that the unemployment compensation laws will not bring about any significant reduction in the numbers of those claiming other types of unemployment relief, but will to a large extent provide benefits to people who previously had to carry the burden of unemployment without governmental aid. The essential fact about unemployment compensation benefits is that they are payments as a right, unaccompanied by any test, for a maximum of sixteen weeks. Since a not inconsiderable number of unemployed workers will normally be reabsorbed before the expiry of sixteen weeks, the general relief system which makes payments only when need can be shown, will be assisted not at all by the payment of unemployment compensation to people reabsorbed in industry within this period.⁸ And again it should be emphasized that this is no condemnation of the act since it is highly questionable whether our earlier policy of compelling wage earners to carry the entire costs of their own unemployment until they were reduced to destitution was socially wise. The point is that we shall probably have to visualize a larger public expenditure to meet insecurity due to unemployment than was the case before the passage of the act.

⁷The Social Security Board's study of old-age assistance payments to which reference has already been made indicates that in the latter part of the fiscal year 1936-37, of 468,696 recipients of old-age assistance, 346,622, or roughly 60 per cent had received no organized private or public assistance in the thirty days prior to their application. Only 116,963 applicants had previously received some kind of public aid. Similarly, of 451,076 recipients in thirty-nine reporting states, 322,246 or 71 per cent were in households previously obtaining no other type of public aid.

⁸A recent Wisconsin study seems to bear out the general conclusion that unemployment compensation on its present scale will make little difference to the residual relief load.

Precisely how much of the total unemployment relief expenditure will be carried by the unemployment compensation systems cannot be indicated at this stage since we lack the necessary statistics. Any optimistic hopes that we may have entertained can, however, be dispelled when we study the English system. Between June and August 1936, a period of relative prosperity, unemployment insurance in Great Britain provided benefits for only 45.1 per cent of all the unemployed. The remainder were aided through the unemployment assistance system (38 per cent), or were persons who for one reason or another were obtaining neither type of unemployment relief. This figure is the more striking when it is recalled that in contrast to our laws, the English system has a wider coverage (there are no exclusions by reference to size of firm). The duration of benefits, instead of being sixteen weeks as a maximum, is twenty-six weeks for all covered workers and up to a year for those who have had a good employment experience in the past. Furthermore, the English insurance system provides benefits that are roughly related to need and carry allowances for dependents. Hence the problem of supplementing inadequate benefits is relatively unimportant. If an insurance system as broad in scope and as generous in duration of benefits as the British provides for only 45.1 per cent of the unemployed, what can we expect from our own much narrower and much less generous laws? It is probable that we shall find that the social security act, in introducing unemployment compensation, has had but a slight impact on the problem of financing unemployment relief.

The second aspect of the social security act in the financial realm concerns federal and state financial relationships. The most obvious achievement of the

act in this respect is that it introduces on a considerable scale the grant-in-aid as a method of relieving local tax burdens arising out of relief expenditures. The response of the states to the federal offer has shown how effective this method of federal participation can be. But unfortunately the security act does not extend this financial provision to all types of relief. In particular the costs of general relief and that increasing share of general relief attributable to unemployment which is not alleviated through WPA is still left to the states. The consequences of this situation are two-fold:

(1) Since the grant-in-aid is limited to certain types of assistance, there will be a danger that in their often justified efforts to secure federal funds, states and local authorities may be tempted to give existing forms of categorical assistance to persons other than those to whom they are appropriate. In other words, the decision as to what type of assistance or benefit a client shall be given, may be made not by reference to the circumstances of the individual and the wider social consequences of providing one type of benefit rather than another, but by reference to an incidental financial question, namely whether or not a given type of assistance carries a federal grant.

(2) The limitation of the federal grant-in-aid to certain types of relief only has distorted state finances in many cases.

The necessity to provide in state budgets for the types of assistance carrying a federal subsidy has led to a *de facto* ear-marking of taxes for these purposes.⁹

⁹Actually Wyoming seems exceptional in providing that where there is a shortage of funds, locally raised money must go first for old-age assistance, second for dependent children, third for administration, and fourth for general relief. But the present situation in Missouri will probably become more general. Here, the legislature appropriated \$17,-

The consequences of this are both good and bad. On the one hand it means that in many cases proper provision is now being made for the first time to meet the costs of dependency. But on the other hand, where resources are limited or there is an unwillingness on the part of state and local authorities to consider the dependency problem as a whole, this ear-marking of available funds for the social security types of assistance gives certain groups priority of access to the funds and leads to a worsening of the position of other types of dependent persons. There are already indications in some states (e.g., Oklahoma and Colorado) that an unbalanced and unduly generous policy toward aged people (which has probably not been unconnected with the possibility of in this way securing access to federal funds) has caused an acute shortage in the funds available for meeting other types of dependency. We may well find the same situation arising for different reasons in some of the state unemployment compensation laws. In Wisconsin, for example, the state has accumulated in an ear-marked fund from payroll taxes a reserve of \$25,000,000, but in the last year paid out for the relief of unemployment only a little over \$1,000,000, or approximately 8 per cent of the amount collected throughout the year. Only experience will show whether the various conditions determining eligibility and the extent of unemployment in other states will produce similar untouchable surpluses. This

000,000 for old-age assistance during 1937-38 but had expended little over \$3,000,000 by September 30th. Unless the numbers of pensioners are greatly increased (and in Missouri today the trend is in the opposite direction for good reasons), or unless the average pensions are raised from \$14 a month to \$27, a considerable part of this fund will not be drawn upon. Meanwhile the appropriation for direct relief was only \$9,000,000 of which \$5,900,000 remained available on September 30th.

segregation for special categorical relief of funds which may or may not be expended, at the same time as considerable groups of dependent people remain inadequately provided for, cannot fail to give rise to considerable criticism.

Finally, the impact of the act in financial matters can be seen within the states. It is a condition of federal aid under titles I, IV, and X that the state must participate financially in the plan. Many of the new welfare laws now extend this practice to the field of general relief, although the state's financial responsibility in this realm is not as yet defined as sharply as it is for categorical assistance. While the developments justifying a widening of the area of financial responsibility for relief occurred prior to the passage of the act, it is difficult to escape the conclusion that the act has precipitated the change in the laws. It remains to be seen whether this increased financial responsibility will strengthen the tendency to state administrative responsibility in the field of general welfare.

REPERCUSSIONS ON GENERAL WELFARE AND RELIEF ORGANIZATIONS

During the last two years there have been prodigious changes in the administrative organization of public welfare in the various states which can be very largely attributed to the social security act. The requirements in titles I, IV, and X that there must be a central state authority responsible to the board for the administration of these types of assistance and that states must participate in financial aid have necessitated the reorganization of administrative units within the states. In many cases the opportunity has been taken to revise the entire public welfare set-up at the time these new departures were made.

The emergent tendency to develop state public welfare departments has been greatly strengthened.

There are today twenty-five state laws providing for an integrated administration of the three social security types of categorical assistance and general relief; two in which general relief, old-age relief, and assistance to dependent children are integrated; and twelve in which there is an integrated administration of old-age assistance, blind assistance, and aid to dependent children. More and more the states are tending to assume greater administrative responsibility, not merely for the categorical types of assistance but also for general relief. At the same time new administrative departments have been created by the development of unemployment compensation laws, and the evolution of separate employment offices under the Wagner-Peyser act. There can scarcely be any problem more important at the present time than that of developing appropriate administrative units for these welfare services.

Unfortunately, there are no clear principles by which we can be guided in grouping these administrative services. On the functional side the arguments in favor of merging unemployment compensation and the employment service are generally agreed to be very powerful. But it is less often realized that they apply with equal cogency to the residual relief system. The desirability of stressing access to job opportunity is as imperative for the man drawing residual relief, whatever its form, as it is for the recipient of unemployment compensation. For the employment service to feel that its first concern is with the latter (as is likely to happen if residual relief clients are the major responsibility of another department) leads to unfortunate results as the German experience has shown. A well organized work program (either in the form of public works or work relief) which gives this expensive type of relief to those who are most in need of it, must be operated through a common employment office

that feels no special loyalty to one category of the unemployed. We have already seen what difficulties arise when an employment service, geared to one objective, is asked to carry out placement functions for another department in connection with work relief. Moreover, since unemployment compensation and all other types of relief can exist side by side only if there is proper coordination of the levels of benefit and conditions for benefit under each system, it seems highly undesirable to split responsibility for determining what these shall be between two or more independent departments.

It is for this reason that the proposals of the President's committee on government reorganization are too simple a solution. The line between the administrative departments can hardly be drawn solely on the basis of whether the security is given as a right or on the basis of need. For in both old age and unemployment dependency we have committed ourselves under the security act to benefits of both types. Already it is becoming clear that the benefits available under the contributory system must bear a logical relationship to those available under the non-contributory, and vice versa. The experience of England and Germany indicates that the same problem arises when unemployment compensation and assistance exist side by side. Can we hope for a well balanced relationship if administrative responsibility for these inter-related services is vested in independent departments? Nor is it certain that we have said the last word as to the scope of these two types of benefit. Can we expect that questions affecting the relative importance of the two types of security will be decided by reference to broad social considerations when two competing departments are concerned, and the question becomes one of relative prestige?

These questions of principle are diffi-

cult enough. It is even doubtful whether we can hope to reach any satisfactory solution of the administrative problem until we have adopted a definite policy concerning those parts of the relief field which the security act does not touch. The nature of the unemployment relief system, outside the narrow sphere touched by unemployment compensation laws, is, as I have indicated, still problematic. We shall face one type of administrative problem if those not cared for by compensation are to be assisted through a federally administered and financed work program. We shall need another type of administrative set-up if there is to be created an unemployment assistance system, financed in part through federal grants-in-aid, which will stand between compensation and general relief. We shall have yet a third type of administrative problem if the residual system should be of the nature of the British unemployment assistance scheme which aims to make complete provision for the needs of the able-bodied unemployed, eliminating any recourse to general relief.

Even within the narrower field of public assistance our present uncertainty as to the nature and necessity of categorical relief has repercussions on administration. If the kind of assistance to be given to the blind, the aged, and dependent children is to differ in no fundamental respect from that available under the general welfare laws the case for separate administrative units is weak. Until we know how far the categorical approach (either of the social insurance or the pension type) is to be applied it is impossible to know how large a dependency load will be left to the general poor law authorities and therefore impossible to devise a satisfactory administrative scheme for this service.

SUMMARY

The social security act has had reper-

cussions of the greatest importance on the relief problem. Yet, while solving some problems, it has inevitably created new ones because it affects only part of the realm of dependency. In regard to the type of security provided for individuals (i.e., the form of the benefits) the act has made general the categorical approach for certain dependent groups. But the nature of this categorical aid differs so markedly from the older forms of categorical assistance as to raise the question whether the older social justification for the categorical approach can be applied to our own pension and unemployment compensation systems. Future policy must depend upon a decision as to the value of the categorical principle itself, and this decision must in turn take into account current modifications in general public welfare policies. If the categorical approach is to be maintained, two consequences follow: first, the appropriate federal departments must assume more responsibility for insuring that the nature of this assistance shall correspond to the purposes for which it was adopted; second, the superior type of assistance thus offered must be made available beyond the limited groups to which it is now confined.

In the financial realm the security act also raises new difficulties because it does not yet cover the entire dependency field. So long as federal monetary aid is confined to certain special types of assistance the choice facing the states between one type of assistance and another will largely be made by reference to the possibility of securing federal funds. Here the immediate step is to provide a permanent solution of the residual relief problem, and to do so in a way that will not limit federal financial aid to any one type of assistance.

Solution of the administrative problem created by the security act must await a solution of the two major problems

(Continued on Page 23)

The Relief Picture in New York State

*Removal of relief
from Temporary
Emergency Ad-
ministration to
Department of
Social Welfare
marks transfer
from temporary
to permanent
status*

ELSIE M. BOND

New York State Charities Aid Association

ON JULY 1, 1937, New York State terminated the emergency period of nearly six years during which both the state and the localities operated under a temporary welfare statute. The emergency relief functions of the State Temporary Emergency Relief Administration were transferred to the State Department of Social Welfare, which has been completely reorganized to enable it to carry out these important functions and its additional responsibilities under the social security program. In the counties and cities the transfer to a permanent status for administration of home relief is in process and will be completed in the course of the next year.

The New York public welfare law now provides a comprehensive system of general relief covering every needy person whether in the state one day or all his life, and making special provision for the aged, the blind, and for certain children under care of their parents or relatives. Legislation passed in 1936 enabled the state to receive federal grants for old-age assistance. In 1937 the state laws relating to mothers' allowances and blind relief were completely revised and liberalized, and federal grants for aid to dependent children and assistance to the blind have been received since May of this year. On July 1, 1937, three very important changes in the public welfare system went into effect:

(1) State aid of 40 per cent of the cost of home relief, provided during the emergency, was continued as a permanent state policy.

(2) State aid of 40 per cent of the salaries of all employees of city and county departments of public welfare was provided.

(3) The state assumed responsibility for 100 per cent of the cost of relief for persons proved to have no settlement in this state, thereby relieving the localities of the cost of relief of non-residents which they had been carrying since the termination of the federal transient program.

Administration is a local function under the New York State laws, with the state contributing to the cost of various types of relief, and responsible for supervision of local administration. While it is not difficult to pick defects in any law, the New York public welfare law is as satisfactory as anything that can be secured at the present time. One weakness is the excessive number of small administrative units which cannot be corrected at this time because the towns still desire to retain their public welfare function. Another defect is the many categories of relief which is also beyond the control of New York State because of the federal social security program.

The New York State relief system is complex because the locality pays different proportions of the cost of various forms of relief, and of the salaries of workers who administer them. Administration is complicated by the fact that the locality pays 60 per cent of the cost of home relief, 100 per cent of the cost of hospital care, institutional care of adults, and care of children in institu-

tions and boarding homes, 25 per cent of the cost of old-age assistance and assistance to the blind, and 50 per cent of the cost of aid to dependent children. Generalized administration is difficult because of the different rate of state aid for salaries of workers administering the special forms of relief from that for general relief. Experiments are being made, however, of having one worker administer two or more forms of relief instead of one worker for each type of relief. This, it is hoped, will avoid excessive cost of administration and the disadvantage of having too many workers dealing with one family if it happens to need more than one type of relief.

DEFECTS IN RELIEF PICTURE

Local financing of home relief is the most unsatisfactory spot in the state's relief picture. For the first time since 1931, the state financed its share of the home relief costs from current funds. The heavy cost made current fund financing impossible for the locality. The power of the locality to borrow for home relief was continued by the 1937 legislature, though with limitations intended to put local financing on a current fund basis by 1942.

Another unsatisfactory situation is that the public welfare law permits, but does not require, that home relief be given in cash. While the largest number of relief recipients receive relief in the form of cash because New York City uses this method, all but two of the administrative units in upstate New York give home relief in the form of orders for food, rent, fuel, clothing, etc. It is greatly to be regretted that so many units in New York State still cling to this antiquated method of granting relief.

The most encouraging feature of the New York picture is the improvement in the administrative structure. The State Department of Social Welfare, for the first time in its history, has a staff

in some degree commensurate with the volume and importance of its work. The department operates on a decentralized plan with seven area offices and central bureaus and divisions for policy-making, special services, and research. It has extensive supervisory powers and authority to make rules relating to public relief administration necessary to safeguard the administration of the state and federal funds for which the department is responsible.

WELFARE DEPARTMENTS MORE ADEQUATE

The city and county departments of public welfare are markedly better equipped and stronger than before the depression. Home relief is better administered, and more adequate. The administration of old-age assistance by the counties and cities has steadily improved. The effect of the new law relating to aid to dependent children cannot yet be determined as it has been operating for such a short time. A number of upstate counties have, however, taken advantage of the optional provisions permitting the transfer of this form of relief from the county board of child welfare to the county department of public welfare. This transfer has been made in sixteen upstate counties and is under consideration in a number of others.

The picture is not clear in so far as the volume of expenditures and number of relief recipients is concerned. Generally speaking, there seems to have been some decrease in expenditure for relief and for WPA and an even greater decrease in the number of recipients if one compares the two years ending September 30, 1936 and 1937. The trends in New York City and upstate are, however, rather different. In New York City there was a slight increase in expenditures, while upstate there was a 39 per cent decrease. The average monthly number of recipients decreased 11 per cent in New York City and 42

per cent upstate. For the same periods, WPA reduced its expenditures for wages for persons with relief status by 13 per cent—from \$256,000,000 to \$223,000,000—and its average number of recipients from 311,000 to 247,000. Total expenditures for unemployment relief and WPA decreased by \$50,000,000 or 12 per cent, and there was a 20 per cent decrease in the estimated average number of recipients.

Comparing September 1937 with September 1936, general relief expenditures had increased about 1 per cent to \$9,625,000, old age assistance 73 per cent to \$2,295,000, aid to dependent children 6 per cent to \$1,096,000, blind relief 26 per cent to \$44,170. On the other hand, WPA had decreased 19 per cent to \$13,860,000. The total for locally administered relief, excluding WPA, was \$1,150,000 higher in September 1937 than in September 1936. WPA spent \$3,300,000 less. The total expenditures were therefore about \$27,000,000 as compared with \$29,000,000 in September 1936.

In so far as recipients are concerned, in September 1937 there was a downward trend, except in old-age assistance and aid to dependent children. There were 27,000 fewer home relief recipients, and 100,000 fewer WPA recipients. There were 40,000 more old-age recip-

ients and 1,000 more families receiving aid for dependent children. In the light of the marked decrease in the number of WPA recipients compared with last September the decrease in general relief recipients is encouraging, though it is partly due to the increase in the number of recipients of special forms of relief.

One can hardly discern a "trend" in the relief situation. Expenditures for locally administered relief tend to increase, while WPA expenditures tend to decrease. Old-age assistance has probably already taken the majority of the eligible cases from 65 to 70 years of age off the home relief rolls. Consequently, the number of recipients of this form of relief is not likely to increase as rapidly as it has since October 1, 1936, when the eligible age was dropped from 70 to 65. On the other hand, many aid-to-dependent-children cases have as yet not been transferred from the home relief rolls, particularly in New York City, so a considerable increase in this form of relief is to be expected. The usual seasonal increase in home relief must be expected, but there are too many uncertain factors to make even a guess as to the course of home relief during the coming year.

EDITOR'S NOTE.—Address delivered before Forty-third National Conference on Government of National Municipal League, Rochester, New York, November 19, 1937.

IMPACT OF SECURITY ACT

(Continued from Page 20)

discussed above. Until broad decisions of policy have been made concerning the place which different forms of assistance are to play in the total relief system and the methods by which they are to be financed, it would be premature and indeed prejudicial to attempt to evolve any permanent administrative organization. Discussion of the ideal

form of administration has meaning only when there is knowledge of the system that has to be administered and this is unfortunately still lacking.

AUTHOR'S NOTE.—The writer is indebted to the Social Security Committee of the Social Science Research Council for assistance in preparing this paper.

EDITOR'S NOTE.—Address before Forty-third Annual Conference on Government of National Municipal League at Rochester, New York, November 19, 1937.

Illinois Investigates the Relief Situation

Governor appoints prominent business and civic leaders as members of a council of public assistance and employment to investigate relief problems

LEO M. LYONS

Commissioner of Relief, Chicago

WHILE most of us think of public assistance in terms of the last few years, it should be remembered that many of our poor laws can be traced back to Queen Elizabeth of England. In Chicago, the authority under which the city administers relief became effective July 1, 1936; however, the legislation placing this responsibility on the city was an amendment to the state pauper act which was passed in 1874.

This act of 1874 provided for the care of paupers and placed the responsibility for aiding them on local officials. Subsequently, through special legislation, the responsibility for providing public assistance in Chicago and Cook County was placed on a specially created branch of the county government, the Bureau of Public Welfare. This bureau was placed under a director who was selected through civil service and who has had general charge of outdoor relief and other forms of public assistance which are now provided by the county.

It was only seven years ago that the need for some unusual efforts to provide for dependent persons became evident. In the fall of 1930 the situation was met in Chicago and Cook County by a private fund-raising drive through which five million dollars were collected to supplement the resources of our various local charities. The following fall a drive was launched through which approximately ten million dollars was provided. At this time a special service,

known as the unemployment relief service, was set up and financed with privately raised funds in order to care for those persons who were in need because of unemployment. In this way a distinction was made between persons whose problems were purely economic and those whose needs were complicated by other social factors. As a consequence, the Cook County Bureau of Public Welfare and the private charities were able to continue their more specialized activities and were not forced to add the burden of unemployment relief to their already increased loads.

It became evident in 1932 that relief in Cook County and other sections of the state of Illinois could not be financed in its entirety with locally raised funds and the Illinois general assembly was so advised. On February 6, 1932, the Illinois Emergency Relief Commission was created and an emergency relief fund was appropriated.

The creation of the Illinois Emergency Relief Commission marked a distinct step in the history of public assistance in the state. In the first place, the state accepted responsibility for the care of its destitute citizens. Up to that time the responsibility had been considered purely local in character. The act creating the commission empowered that body to assist persons who "by reason of unemployment or otherwise" were in necessitous circumstances. In other words, the principles under which public assistance was to be given were broadened to recognize lack of employ-

ment as a reason for assisting a needy person.

When the commission was organized it adopted certain basic policies that guided its action during the entire time that it was responsible for the administration of relief. The first of these was that relief should be given on the basis of need. It felt that any sound relief program should deal with individuals on the basis of their individual problems, and in so far as possible supply their individual needs.

LOCAL RELIEF ADMINISTRATION

The second basic policy adopted by the commission provided for local administration of relief. In downstate counties, other than Cook, the commission appointed county emergency relief committees to act as its agents in directing the relief program. The county committee, however, was not expected to handle the actual details of administration; these details were carried out by a staff serving under an administrator whose training or experience qualified him for the responsibilities involved in supervising such a program.

In Chicago and Cook County, the commission administered relief directly through the unemployment relief service which had been set up by the private fund-raising agency and through the use of the family service stations of the Cook County Bureau of Public Welfare. In other words the commission took over the facilities which were already functioning. The administration of relief in Cook County was placed under an administrator who was appointed by the commission and responsible directly to it.

The state commission administered relief from February 6, 1932, through June 30, 1936. During this time, the commission administered funds totalling approximately \$370,000,000, and cared for as many as 320,000 resident family cases in a single month. When the

CWA program was launched in 1934, within forty-eight hours work relief projects were transferred without interruption in operations. When the CWA was discontinued the commission was able to immediately revive its work relief program, and when the WPA later took over most of these projects and a large part of the commission's personnel, a further adjustment was made.

It is believed that the advancement made in welfare work in Illinois during the four years that the commission administered relief was equivalent to twenty years of normal advance in public assistance planning. This applies not only to the magnitude of the job, but to the basic policies that guided its operations. The commission's recognition of the individual as a human being to be dealt with on an individual basis, the preservation of the family as a social unit, its objective approach to the problems of public assistance have all had their mark on the social thinking of the state.

The very magnitude of the commission's efforts, however, naturally created some resentment. Relief is never popular, and a program such as this was bound to result in some unpopular reactions. The focal point of this reaction was the social worker. We began to hear the charge that the social worker was long on theory and short on practice, that local people who were close to the problems of their communities could administer relief better than the commission's administrators, that relief should be turned back to the counties and to the townships.

Through concerted effort on the part of public officials the legislature acted on these criticisms, and on July 1, 1936, the state commission was relieved of the responsibility for administering relief, and the overseers of the poor again took over the job. In terms of administration this meant that instead of the

102 county committees there are now 1,454 independent governmental units, each of which is responsible for establishing relief standards, personnel standards, for accepting applications for relief, and for determining eligibility for aid. In Illinois, township supervisors as overseers of the poor are empowered to care for all recipients of general relief.

The law which transferred this responsibility also provided that down-state units could spend not more than 5 per cent of moneys received and expended for relief to meet administrative costs. Chicago was allowed 8 per cent.

STATE GRANTS

The state continues to assist in the care of persons in need by making an appropriation of \$3,000,000 per month. This is allocated to governmental units which qualify under further restrictions provided by law. To be eligible to receive a part of this state fund, a governmental unit must make a general property tax levy of three mills per dollar of assessed valuation. The Illinois Emergency Relief Commission ascertains the difference between the total needs of the eligible governmental units and the local funds which they have to meet these needs and prorates the available state funds among them. For the month of November these state funds met about 64½ per cent of the needs which could not be met with local funds.

How does this affect the individual governmental unit? If local funds are sufficient to finance the relief program, there is no problem. As the ratio of local funds to total needs goes down, however, the situation becomes increasingly serious. A governmental unit that has exhausted its local funds is obliged to curtail its relief by about 35 per cent or in some way anticipate against the future.

How did this affect Chicago? When

the city found this problem on its doorstep it set out to meet the situation in a practical, matter-of-fact way. The city council created a new division of city government, the Chicago Relief Administration, and appointed a commissioner of relief. This commissioner, who held a similar position under the state commission, took over the staff and administrative machinery which the commission had used in Chicago so that there was no break in personnel and no change in procedures as a result of the change in responsibility. It might be stated here that at no time has the mayor or other city officials attempted to direct the formulation of policies or the selection of personnel by the Chicago Relief Administration. This is true of the governor and the state commission.

The Chicago Relief Administration has a few clear-cut policies which are basic to its operations. In the first place, staff is selected on a merit basis. A personnel department accepts all applications for employment and determines the eligibility of applicants for specific positions in the organization.

Case work is directed by executives with long years of experience and training in this field and is actually carried out by persons with training or experience in meeting problems of social adjustment.

Accounting procedures for all funds are under the direction of a certified public accountant.

All relief given by the Chicago Relief Administration is on the basis of individual need. Special departments are maintained to handle the more technical problems involved in making property and insurance adjustments; in meeting the problems of small tradesmen; and in providing special medical diets, investigation, fraud, restitution, and other highly specialized types of aid.

The efficient functioning of the Chi-

ago Relief Administration is limited by staff. As a consequence of the law which permits the city of Chicago to spend not more than 8 per cent of its relief funds for administrative purposes, services in all departments have been curtailed.

FINANCING RELIEF IN CHICAGO

Relief in Chicago is financed by a three-mill general property tax and by allocations from the state relief fund. This three-mill tax is the maximum the city of Chicago can levy for relief; therefore, the extent of relief money in Chicago has a very definite limit. The levies for 1936 and 1937 totaled \$11,741,572, against which 75 per cent could be anticipated. This 75 per cent was exhausted on September 15th of this year. It thus became necessary to restrict expenditures to state funds and as a result relief needs were met to the extent of 70 per cent in September, having only \$2,189,524 to meet an estimated requirement of \$3,111,853. In October needs were met to the extent of only 63 per cent, having only \$2,060,925 to meet an estimated need of \$3,245,854. The city council, faced with this very serious problem and having done everything that it could under the law, took upon itself the responsibility of meeting the situation. By a special resolution passed by the council in October, the city comptroller has been able to transfer funds from the city's aggregate fund to its relief fund and to credit this transfer against that part of the 1937 tax levy on which no funds have yet been anticipated. As a result, an upward adjustment in relief budgets has been possible for the months of November and December. We still face a shortage of \$500,000 each month.

The Illinois Emergency Relief Commission and the Chicago Relief Administration regard relief as at best a necessary evil and have been seeking a solution to the problem. At the suggestion

of the state commission, Governor Horner appointed a group of prominent business and civic leaders to a council of public assistance and employment to act as a fact-finding and coordinating body in solving the problems of relief and unemployment. This commission has started operations with a comprehensive program that provides for a re-examination of relief cases with particular emphasis on those cases having employable members, an inventory of the labor supply in order to coordinate the relief rolls with work opportunities, the securing of maximum cooperation from business and industry in giving employment to employables on relief, and a number of other important aspects of the relief problem.

In the meantime we are continuing an attack upon the problem from the viewpoint of finding employment for persons on relief rolls. Continuous registration of employable clients with the State Employment Service is required, and a study of unemployable cases has recently been conducted with a view to ascertaining how many such cases might be made employable through vocational training, the purchase of special appliances, medical or surgical treatment, or through any other procedure. This is being followed by a labor inventory of employables on relief.

The importance of looking at the relief problem as something that calls for long time planning should be emphasized. Pouring more dollars into relief is not the solution. Merely keeping people from starving isn't going to restore them to normal self-support, and until they are restored, the relief problem will continue with us. The step taken by the Governor of Illinois in appointing a council on public assistance is the kind of thing that will help us find the solution to this problem, it will bring to us the advice and counsel of men who represent the large group

of taxpayers, and men who hold the key to employment opportunities.

Some of the thinking of this group as its members have outlined their thoughts in various conferences is of interest. Their general comments were to the effect that:

(1) Many on relief will not take jobs in private employment if given the opportunity; (2) public relief and public employment agencies are filled with political appointees; (3) politics enters to a considerable extent into the distribution of relief; (4) all public assistance should be handled purely on a local basis; (5) social workers are perpetuating the relief problem so they may perpetuate their jobs; (6) more efficiently operated governmental offices would release ample funds for relief purposes; (7) the State Employment Service is inefficient and the government should not maintain a free public employment service; (8) private employment must absorb the unemployed.

They pointed out in their discussion that there were certain obstacles which in their opinion affected re-employment by industry:

(1) No more employees now needed by many concerns; (2) loss of work habits and the forming of bad attitudes on the part of the unemployed; (3) loss of skill by artisans who have been out of work for a long time; (4) increasing age of former workers now receiving public assistance and the indisposition on the part of many employers to hire men above certain ages; (5) lack of skilled workers on public relief rolls; (6) high workmen's compensation insurance costs, etc.; (7) uncertainty among industrial leaders which hinders future industrial expansion; (8) social security taxes lead to reluctance in hiring additional employees; (9) heavy and increased taxes and increases in other costs are reducing profit margins; (10) the critical attitude of governmental bodies toward industry and the increasing burden of governmental regulation discourage cooperation on the part of industries; (11) labor difficulties and the attitude of unions relative to the hiring of apprentices, use of non-union workers, initiation fees, etc.; (12) wage increases and high wage levels limit the number of persons employed; (13) technological unemployment; (14) restricted purchasing power.

We may or may not agree with these general opinions, but certainly it gives those of us who are concerned with this problem of relief administration food for thought.

As a result of these general discussions the group resolved to attack the problem on the following basis:

(1) A complete and realistic re-examination of the cases currently receiving relief, with particular emphasis on those cases having employable members. This re-examination should take the nature of a re-application for relief by all cases now receiving relief.

The Chicago Relief Administration has already scheduled such a re-examination. The re-application for relief will include the furnishing of new affidavits and will concentrate upon the monthly needs of relief cases and their available resources.

(2) A complete inventory of the labor supply now on the relief rolls should be taken in order that the relief rolls may be coordinated with employment opportunities.

The Chicago Relief Administration in its re-examination of the relief rolls plans to make such an inventory of the employable persons on its relief rolls, furnishing for employment purposes the necessary vocational information.

(3) The program of the State Employment Service should be so arranged that special and continuous attention can be given to those on the relief rolls. Some arrangements should be worked out whereby all persons receiving relief once registered with the employment service would remain actively registered until they are no longer on the relief rolls.

(4) Maintain the works program employment at the present or if possible at a higher level for the time being until means can be found to reduce its necessity.

(5) If removal from the relief rolls of worthy cases is necessary in order to keep within the funds available, proceed systematically to remove cases who will be subject to the least hardship.

(6) Appeal to business and industry to employ as many as possible. Urge business and industrial associations to circulate this appeal to their membership. Addresses on the relief problem by qualified persons before meetings of business men should be arranged.

(7) Encourage employers to use the Illinois State Employment Service.

In giving consideration to the long time plan, the committee suggested study of the following:

(1) Analysis of experience and skills of the unemployed; (2) location of existing employment opportunities and determination of future trends; (3) the need for retraining on the part of unemployed in order that they may regain former skills, master new trades, and regain morale; (4) the training and placement of handicapped workers; (5) collection of accurate statistics on: (a) number of unemployed, (b) number of persons receiving public assistance in all categories and cost of public assistance;

(6) The consideration and presentation of the best plan for a public assistance program in Illinois; (7) consider all such changes in state laws as may be desirable to aid in the solution of the problem; (8) plan program to enlighten the public regarding the relief problem in

order that intelligent coöperation may be obtained; (9) use every possible means to make the acceptance of relief unpopular.

This may or may not be the wise approach to the problem, may or may not bring results. It can only be determined by testing. However, as commissioner of relief of the city of Chicago the author is convinced that through this approach there are many persons in Chicago who are much more aware of the complexity of the problem than they were prior to the appointment of this council on employment and public assistance.

EDITOR'S NOTE.—Address delivered before Forty-third National Conference on Government of National Municipal League, Rochester, New York, November 19, 1937.

PUBLIC WELFARE, RETROSPECT —PROSPECT

(Continued from Page 8)

it meets the needs of millions of needy and under-privileged citizens, and whether politicians instead of trained people direct the program, depends upon the enlightened self-interest of the American people and the kind of leadership which they get in positions of high public responsibility in the city, state, and nation.

Consider the fourth chapter of Proverbs: "Wisdom is the principal

thing: therefore, get wisdom. Yea, with all thy gettings, get understanding." America is full of brilliance, but it has never had an oversupply of wisdom—the wisdom which keeps theory in touch with practice and ideals related to reality. Wisdom is the essential quality needed to buttress intelligence and bring us nearer to a satisfactory way of life for the people of America.

EDITOR'S NOTE.—Address delivered before the Forty-third Annual Conference on Government of the National Municipal League, Rochester, New York, November 19, 1937.

Relief Problems of Local Governments

Reports from Philadelphia, Providence, Boston, Rochester, and Monroe County

PHILADELPHIA

Philadelphia, with a tax rate only moderately high when compared with those of other large cities, has exceeded its debt limit by over \$30,000,000, and has in addition a current deficit of probably the same amount. It has attained these heights without contributing anything worth mentioning to relief. Not a cent has been given to direct unemployment relief for five years.

Having wriggled through to this point, the city seems out of danger for the present, since, as between city and state, the state is assuming full responsibility for administering and financing relief. The work is headed up in a state department of public assistance, with local administration in charge of bipartisan county boards of assistance, named by the governor with the consent of the senate. It is generally understood that such removal of local responsibility is not usual and is open to criticism.

The state's responsibility includes unemployment relief, outdoor poor relief, old-age assistance, aid for dependent children, and pensions for the blind. The word "pensions" is used because payments to the blind are not based on need. It is said that a good bit of old-age assistance in Pennsylvania is on a pension base also. The state assumption of financial responsibility relieves the city of Philadelphia of appropriations for outdoor poor relief that have been in the \$10,000 a year zone, and of responsibility for what has been called "mothers' assistance," running from a third to a half million a year.

At the end of October, 1937, the Philadelphia county board of assistance had about sixty thousand cases on its rolls, involving 157,700 persons. The October cost to the state was over \$2,300,000. The state at large is spending at a rate \$1,000,000 a month in excess of its appropriation.

The load in Philadelphia had been declining but shot up sharply in October. WPA is easily spotted as the villain. Factors other than WPA had been taking cases off the rolls faster than they came on, though at a dwindling rate. But in October, while the other factors took three hundred cases off, WPA retrenchment put two thousand cases on. WPA retrenchment is in part to be laid at the city's door. Its appropriations have been low and for small-scale projects.

The relief situation obviously gives Philadelphia's government little ground for complaint. Nor does it give the local government very much to boast about. Many of its citizens find it impossible to believe that the poor mouth it puts up is justified. Contemplating its none too proud record, one is reminded of the ladies bountiful who asked the great industrialist for help in founding an orphan asylum. He replied that he would be glad indeed to make a substantial contribution to start them off. How many orphans would they like him to give?

CLARENCE G. SHENTON

Philadelphia Evening Bulletin

BOSTON

The severity of Boston's relief problem is indicated by a fairly recent analysis by the Boston Municipal Research Bureau. That analysis showed

that in the spring of last year about one out of every four persons of our local population was either directly or indirectly connected with local and federal relief rolls. Prior to the depression the city had about six thousand cases on local relief. Now there are some fifty thousand on both local and federal rolls. In broad outline it may be stated that the number of city cases increased slowly through 1931 and then advanced rapidly to a peak of about thirty-five thousand in 1933. Late that year federal help was started, and city welfare rolls have slowly declined to about twenty-six thousand cases at the end of last year.

Aside from social security cases, federal relief has been strictly separate from city relief since 1934 and on a work relief basis. At first Boston received much less liberal help than did other large cities. That fact roused vehement protests resulting in an improved situation. During 1935 and 1936 the federal government assumed a case load about equal to that of the city.

Expenses connected with the case load have been staggering. Over the past eight years Boston's expenditures for the many different services of local government have increased from about seventy to eighty million dollars a year. We were able, with comparative ease, to provide for some \$3,000,000 of relief expenditures back in 1929. Such inclusion, however, has been infinitely more difficult since relief expenditures have increased so markedly—\$13,000,000 at the peak of the depression and \$11,000,000 last year. During 1936 the combined federal and local relief expenditures were at the all time peak of \$32,000,000, or more than all city costs under the mayor amounted to ten years ago. This year may bring about a 10 per cent reduction in this total.

As is probably true in other cities, pressure to balance the federal budget

caused the WPA rolls in Boston to be cut during this past summer. Specifically these rolls were reduced by 5,500 cases. Between June and August 1,200 cases were added to city rolls and started an upturn in our relief burden which has continued in recent weeks as the new business recession has developed. In passing, the great discrepancy between 5,500 persons dropped by the WPA and only 1,200 being added to city welfare rolls should be emphasized. Whatever else may be said, the great spread between these two figures would seem to indicate that many of those being given federal work relief had other resources. It may be true, of course, that federal officials in Boston followed some selective process which destroys the representative character of this sample but there has been no public information available which indicates that such is the case.

During the depression there have occurred some cuts in Boston's governmental services but they have not been of great importance. Paying the bill has instead taken the form of a new record high tax rate during most of the successive depression years. It now stands at \$38.70. This rate, not far from 4 per cent of the value of individual parcels of real estate, is bad enough. It so happens, however, that the city has borrowed an average of about six and a half million dollars during each of the past five years in order to balance the budget and keep down the tax rate. The real reason for the borrowing is undoubtedly the fear of a local tax revolt if an adequate tax rate were levied. Moreover, large temporary borrowing has been necessary because no allowance of moment is made in our tax rate computation for tax delinquency. When these two aspects of borrowing are included, it develops that we are now spending in Boston at a tax rate equivalent to some-

thing like $4\frac{1}{2}$ per cent of assessed valuation. Most local observers would agree that our assessed valuations are considerably higher than they should be.

Beyond any question federal aid is absolutely necessary and must be continued if Boston's and other systems of local finance, so largely based on the real estate tax, are not to collapse. Federal help is justified since federal sources of revenues are so much more flexible and are so largely based on a graduated income tax which should bear the relief burden of a depression to a very much greater extent than the real estate tax.

It seems to me that federal policies have been open to very serious criticism in that they have not been of a sufficiently long term character to permit cities to count on a given amount of federal aid in their annual budgets and to make their plans accordingly. In the future, federal help, whether large or small, should be announced on the basis of a full calendar year.

There is grave doubt as to whether the federal work relief policy should be continued, at least without considerable modification. From a financial standpoint Boston's financial situation is unhealthy, even dangerous, if present methods continue. Some federal aid at least should take the form of cash relief and in order to insure proper expenditure Washington officials should require that local standards be kept at a specified level. That level will not be difficult for Boston in view of its liberal local policies in the past. The importance of this question is indicated by the fact that, had federal aid to Boston last year been on the liberal cash relief basis which the city maintains, combined federal and relief cases would have been paid without a penny of local expenditures. Federal standards, maintained by inspectional forces, should also insure that only needy persons have been included on relief rolls.

Much of my reasoning for taking a position against work relief as an exclusive federal policy relates to observations of the administrative angle of work relief. Beyond question many of the projects involved have become a joke and, given the busy program of many city officials in connection with their regular duties, it seems that the supply of decent, useful projects is and will remain too small. From the standpoint of the individual relief recipient, benefits formerly argued to support the work relief thesis have been seriously weakened in my judgment. My own observation of men on work relief is that there is much soldiering on the job for more or less natural reasons. Why should such men do a decent day's work when that may mean working themselves out of a job more quickly? The worst of it is that the morale of the better men, just the men we have in mind in setting up work relief, suffers most seriously under such circumstances.

In Boston another question has been raised which merits airing. Under the traditional policy in New England, publicity has never been given to the names of the individuals receiving relief. That point of view was probably justified in the past but its continuation is doubtful when the stigma formerly attached to public relief is certainly decreasing, and in many cases may be at the vanishing point. In view of the huge public funds being spent for relief purposes, it is an important question as to whether comparable publicity should not be given to the amount of help extended in individual cases as now occurs with public salaries, contracts, and what not.

Finally, there comes the question as to the advisability of changing the basic federal administrative setup for handling relief. Federal authorities have partially decentralized administration, in so far as Massachusetts is concerned, by setting up a federal official in charge of WPA projects throughout the whole

state. This is, of course, a better arrangement than having someone at Washington, from a single central point, attempt in vain to adjust federal policies to local traditions and conditions.

I believe the decentralization should go further and that definite cash grants-in-aid for both cash and work relief should be made to Boston, for example. There is, of course, a danger of local manipulation for political and other purposes in this arrangement. In large measure such manipulation could be prevented by federal standards which must be met if federal aid is to be continued in a community. Poorly run, politically dominated city halls and city officials would, of course, be a problem.

But getting a decent dollar's worth of value from a dollar of federal contribution would, in my opinion, be feasible under a decentralized setup.

In conclusion, the need for a careful re-examination of the whole relief problem by a disinterested federal agency should be emphasized. The problem is of tremendous and continuing magnitude. I hope that social workers will be used to a maximum extent in making the investigation. But I also hope that others will make the conclusions, not because I undervalue the efforts of social workers, but because they are so close to the problems involved.

H. C. LOEFFLER

Boston Municipal Research Bureau

PROVIDENCE

In terms of public relief the depression did not hit Providence until 1932. There had been a long slow rise in the number of "reliefers" prior to that date (figures go back only to 1924) but private charitable organizations carried the bulk of the load, and the cost to the city was relatively inconsequential and had been paid out of revenue.

Trouble was encountered in 1931, but \$600,000 was raised by private subscription, and that sum, plus a \$200,000 (100 per cent) increase in city expenditures got the city over that hurdle.

In 1932 private resources were obviously inadequate to meet the problem and both the city and the state entered the picture in a substantial manner. From an average annual case load which had increased from 250 in 1924 to about 550 in 1930 and 1500 in 1931, the public case load jumped to over 5,000 that year.

From an average annual expenditure in the early years of about \$100 per case, the cost increased in 1932 to an average of about \$350 per case.

Since 1932 Providence, like all other cities, has been subjected to a variety

of relief programs and methods, none of which have lasted long enough to permit the development of any system of accounting which will produce figures to show accurately the relative cost or values of any of these programs.

The number of relief cases has constantly increased. From 1500 in 1931 the number increased to about 5,000 in 1932, the year in which the city and state first entered the picture, to 7500 in 1933, 8500 in 1934, 9500 in 1935, 10,000 in 1936, and 10,500 in 1937. The total expenditure in the same years went from \$1,700,000 in 1932 to \$2,500,000 in 1933, \$3,800,000 in 1934, \$4,700,000 in 1935, and to more than \$6,000,000 in both 1936 and 1937.

Until 1932, the city carried all of the relief costs except half of the cost of aid to dependent children. In 1932 the state help amounted to about 70 per cent of the total cost and the city paid 30 per cent.

In 1933, 1934, and 1935, the city paid about 35 per cent of the total cost, the state about 30 per cent and the federal government about 35 per cent.

In 1936 and 1937 the city has con-

tributed about 25 per cent of the total, the state about 15 per cent and the federal government about 60 per cent.

Although the percentages show a substantial decrease in the proportion of the city's contribution to the total expenditures, the fact is that the total cost to the city increased from \$100,000 in 1929 to \$500,000 in 1932, to \$800,000 in 1933, to \$1,200,000 in 1934, to \$1,800,000 in 1935, to \$1,900,000 in 1936, and in 1937 the city's expenditures will be approximately \$2,000,000.

In 1932 there were about 60,000 employed in Providence in establishments employing five or more people. In 1937 the average number employed in similar establishments was about 75,000, an increase of 25 per cent.

In six years the city of Providence has gone into debt to the extent of \$7,000,000 for relief purposes, which exceeds by a wide margin any other debt contraction record for a single purpose in a similar period of time in the city's history.

As closely as can be determined from

available material, the several programs of relief have cost approximately as follows:

The city's chronic relief load has cost about \$300 per case per year and this cost has remained constant over the past five years; under the so-called SUR program, which provides relief for unemployed persons not in the chronic relief class and not on WPA, the cost is about \$400 or \$450 a year per case and this figure has remained fairly constant; the aid to dependent children program amounts to about \$600 per case; the old-age pension plan calls for an expenditure of about \$200 per person; the WPA program involves a cost of about \$900 per case per year.

These figures are too new to warrant comment or interpretation, but the fact that it costs twice as much per case for the WPA program as it does for the local SUR cases, is a matter that prompts serious consideration.

ROBERT M. GOODRICH

Providence Governmental Research
Bureau

ROCHESTER, NEW YORK

The relief load in this country passed its peak early in 1935. In Rochester, at the high point in February of that year, the consolidated case load of all public agencies showed a total of 17,720 cases, representing 18 per cent of the population. Included in case load are all relief cases whether on home relief or work relief, and whether the work relief is local, state, or federal, as under the WPA. Comparing the first nine months of 1936 with 1937 the average monthly case load was 14,598 in 1936, and 11,233 in 1937—or a reduction of 21 per cent. Comparing the month of September in these two years the case load was 12,646 in 1936 and 9,326 in 1937—or a reduction of 25 per cent. These figures show that relief is being reduced but almost wholly

under federal work relief, as during the past year the WPA has reduced the city case load by approximately 3,600 cases.

Tax leagues, chambers of commerce, the press, and others protest loudly that relief expenditures are too high, that they should be sharply cut. Employment and wage records are quoted as a sufficient reason. It is stated that employment and wage payments are almost up to the 1929 figures. Why then have not the relief rolls been reduced much more than they have?

In August 1937, a survey as to their employability was made of all individuals on public relief in this city over eighteen years of age. This showed that during that month there were 10,357 persons in relief families in that category. All classifications were made on

personal verification by the visitor on the case, viz: employed, employable, or unemployable. Reasons for unemployability, if not apparent, covering illness or physical disability, were verified by clinic reports. The survey showed that 2,168 persons were employed whose income was supplemented by aid from a public agency. Of these 732 were on federal work relief projects and 1,436 in private industry, either full time or part time. Unemployables numbered 5,508. Out of this group 2,850 were housewives; 1,634 were listed as having acute, chronic, or mental illness; 599 were unable to work because of old age, mostly over sixty-five years old but ineligible for old age assistance; 208 had physical handicaps; 142 were widows with dependent children; and 75 in school. Of the 2,681 classed as employable, 549 rating for light labor only because of some physical disability can be practically eliminated; those claiming to be domestic servants 141, and a third class listed as unwilling to work totalling 122, can likewise be eliminated. This last class has been given this status after repeated efforts at placement on private and public work. There is a balance then of employables of 1,869. Of these 980 claim some experience and 889 no experience. How many of this group can be permanently placed is a question.

One proposal is that all work relief be discontinued and where necessary these persons be given home relief. On WPA it is estimated there are about 3,600 city cases. In this event a certain proportion of these would be eligible for home relief, thereby increasing the local cost, inasmuch as the federal government pays all wages, the city contributing a certain percentage of materials, whereas if on home relief the city would pay 60 per cent of their support.

Regardless of statistics on employment and payrolls, which claim to be

almost up to the 1929 level, one of the most sensitive indices of economic conditions is the applications for relief which come to welfare departments daily and the acceptances after adequate and thorough investigation. In the first half of this year acceptances were about even with 1936. In June an upward trend began, and in September and October the applications of the department of public welfare increased 16 per cent and the acceptances 117 per cent over the same months in 1936. This is amply indicative of a slowing up of employment. The reason for this apparent contradiction is obvious: relief applicants come in a very minor proportion from the large, highly organized businesses from which employment and payroll figures are obtained.

We have facing us as a major reason for the present size of the relief rolls, the cumulative effect of eight years of more or less continuous or recurrent dependence on public support of a considerable part of the population. The effect has been a weakening of the moral fibre of the individual subjected to this method of subsistence. The corrosive influence of this form of living over a term of years on those members of a family who have grown from childhood to manhood is immeasurable.

It is of interest to analyze the applicants for relief. In 1934 the percentage of new applicants never known to a public agency before was 39 per cent; in 1935, 36 per cent; in 1936, 13 per cent and so far in 1937, 12 per cent. This is encouraging. There always will be a certain percentage of new cases. Whether we have reached the minimum is unknown. The problem lies in the cases which are used to relief, which are closed at times because of sufficient income, but which lapse again to a relief status when income ceases.

The problem of how to operate efficiently a public relief department

rests mainly on a well trained and competent staff of social workers, selected through a merit system. Too much emphasis cannot be laid upon the necessity of having a staff adequate in size to carry the case load. Constant planning with families to use every resource and possible opening for employment is a slow but sure method of reducing the case load. The statement of the Urbanism Committee of the National Resources Committee, that "the social welfare service should be protected from partisan politics and from the curbstone opinion that no experience or training is required for this kind of work," can be heartily endorsed. Fortunately in New York State, through the TERA and the Department of Social Welfare, the standards and qualifications of social workers have been adequately guarded. The program of civil service status for all employees of welfare departments, which will be put into effect this coming year in this state, will serve, it is hoped, to raise the standards of all welfare department employees.

In addition to this an up-to-date method of accounting, keeping of case records, and active case load, order drawing and checking of resources must be had to control properly the relief given.

The resource division in the Department of Public Welfare of Rochester covers a wide field. This comprises a check of insurance, bank and postal savings clearings, safe deposit boxes, property, compensation, and payrolls of all relief applicants and relatives responsible for support. All this entails a tremendous amount of work but if properly done and applied it pays a worthwhile dividend.

One of the most important divisions

in a welfare department is the intake. The highest skilled personnel here is a necessity. Intake workers should be persons of experience, able to see the implications of the problems presented. Adequate time and careful interviewing often result in the applicant being able to see how he can work out his problems; a much more constructive method than to accept his need as though it could be met merely by relief.

What about the future? The task of working the relief load down, now that the survey previously quoted shows the small number of employables, will be a difficult one. The arbitrary policy adopted by certain states and communities of cutting relief rolls is no answer to the problem. Even in individual cases, punitive measures or the stopping of relief without an acceptance of this by the client, does not solve the question.

As to work relief, it is my opinion, after several years close contact with it and the present method of operation under federal control, that it should be returned to the states with a federal allotment, to be operated in conjunction with home relief if a community so desires to use it. The rules controlling projects acceptable should allow some opportunity for giving work to employables unable to do hard labor. In this category is a considerable number, who probably will never be absorbed by private industry. Federal assistance is needed but on a decreasing scale. A closer integration of work relief with home relief will lead to a more efficient control.

FRANK X. KELLY

Rochester Commissioner of
Public Welfare

MONROE COUNTY, NEW YORK

The Monroe County Department of Public Welfare administers all home relief in the county with the exception of city cases. It also administers old-age assistance and assistance to blind in both county and city cases.

The average home relief case load in Monroe County from 1925 to 1930 was four to five hundred cases. The case load, however, from January 1, 1931, to November 1931, when TERA was introduced into the setup, increased from the normal of 500 to 968. From that time until March 1933 it continued to rise until it reached an all time high of 6,734 cases, where it remained through 1934 and until the fall of 1935, when it began to drop. In August 1937 the load reached the low point of approximately 3,000 cases, about 1,500 of which were on home relief and 1,500 on WPA. This is the lowest point the load has reached since February 1932.

At the beginning of TERA in November 1931 expenditures ran about \$27,000 per month. The peak of expenditures was reached in the month of January 1935 with an all time high of \$285,600 per month. This was nearly two years later, however, than the peak in case load which was in March 1933. The higher expenditures were caused by increased food prices in 1935. From January 1935 expenditures continued to drop until August of this year when they reached the low point of \$37,500, which is the lowest since November 1931.

The cost per month per case in November 1931 was \$28.06. The trend of these costs continued upward and in January 1935 reached an all time high of \$36.25 per case per month. Since that time costs have continued downward and the average for the year 1936 was \$28.22 and for the first nine months of 1937, \$29.66. According to

the figures above the largest case load was in March 1933, the greatest expenditures in January 1935, and the highest case cost in January 1935.

The home relief load of 3,000—1,500 of which are on WPA at the present time—will probably continue upward through the winter and the trend from that time on will depend largely on business conditions. It will probably never go down to the predepression norm of five hundred but will level off somewhere between two and three thousand, which will be an increase over the normal case load for this county of approximately 500 per cent.

Materials to carry on WPA projects cost the county \$572,059.88 for the year 1936. This amount is exclusive of sums paid by municipalities within the county who sponsored projects other than the county. Had the present WPA load of approximately 1,500 cases been carried on home relief, it would have cost the county about \$6,000 less than to keep the workers employed on WPA projects. However, it is felt the work projects accomplished by WPA have far more value to the county than the difference in cost. This conclusion does not take into consideration the amount Monroe County will eventually be taxed to pay the wages of the workers employed on WPA. Cases carried on WPA including labor and materials cost about \$86 per month per case in Monroe County, or \$68 for labor and \$18 for materials.

Old-age assistance. Laws governing old-age assistance became effective January 1, 1931, and since that time the county has assumed a case load of 4256 cases—1648 of which were taken during the last year or since the age limit was reduced from seventy to sixty-five years. Monroe County is now carrying the largest case load of this

form of relief of any county in the state outside of New York City. It is expected the number of old-age assistance cases will continue to increase for about another year and will then level off somewhere between 4,500 and 5,000 cases. The average case cost for Monroe County is approximately \$22 per month. Due to increased living cost this will probably continue to rise.

Assistance to blind. The law governing blind assistance became effective May 1, 1937. At that time there were approximately eighty-five cases receiving grants under the blind commission. Since that time these cases have been put on approximately the same budget basis as old-age assistance, but this case load will neither increase nor decrease to any great extent.

The status of relief in Monroe County is unsettled. We are passing through

a period of confusion caused by the transfer of TERA to the State Department of Social Welfare. The county's entire staff must pass state civil service examinations within the next few months.

New federal and state laws are causing a continual transfer of hundreds of cases from one relief agency to another.

Monroe County is looking forward hopefully to the time when the relief situation including work relief and all other categories will settle long enough so that a sound, effective and economical setup can be worked out for the benefit of all concerned.

JESSE B. HANNAN

Monroe County Director of
Public Welfare

EDITOR'S NOTE.—Reports made before Forty-third Annual Conference on Government of National Municipal League, Rochester, New York, November 19, 1937.

Kalamazoo Now Debt-Free.—Future managers of Kalamazoo, Michigan, will see each day on their office wall the picture of a man holding a bond while another man lights it with a match. Attached to the picture frame will be a glass tube, sealed at both ends, which contains the ashes of the bond.

This "memorial," it is hoped, will serve forever as a reminder that Kalamazoo, on November 1, 1937, achieved the distinction of being the only city in the United States of over fifty thousand population to be on a pay-as-you-go basis and free of general bonded indebtedness.

Twenty-three per cent of the budget went for principal and interest on a debt of nearly half a million dollars when Harry H. Freeman, the first city manager, took office on July 1, 1918. The new administration found an established policy of borrowing to keep the tax rate low. The realistic nonpartisan commission at once boosted the tax rate from 8.5 mills to 13.5 and inaugurated a policy of debt retirement. Since then debt has steadily decreased—and so have taxes. Careful planning of annual expenditures and strict control over all appropriations resulted from a detailed annual city budget.

Under the pay-as-you-go plan, adopted by the city's first commission under the manager plan, expenditures have been anticipated and cash reserves built up. When the depression came, Kalamazoo was not weighted down, like most cities, by debts incurred during prosperous times.

With this determination to stay out of debt, the city has not been so parsimonious as to neglect desirable improvements. These include a half-million-dollar city hall, a three-hundred-acre airport, two golf courses, new bridges, new parks and playgrounds, its own asphalt plant.

There was a single deviation from the pay-as-you-go plan when, in 1932, the city floated a \$295,000 bond issue for emergency relief. It is the ashes of the last of these bonds which rest in the glass tube as a constant inspiration for all who are to sit in the managerial chair.

New York's 1937 Election and Its Results

Reform administration succeeds itself for first time in city's history

GEORGE H. McCAFFREY

Merchants' Association of New York City

SHORTLY before Mayor LaGuardia took office in 1934 he stated at a public banquet that everybody had heard of cases in which doctors announced that the operation was successful but the patient died. He prophesied that he as the doctor would perform an operation on the government of New York City in which the patient would survive but the doctor would die politically.

For a time it looked as though his prophecy would be correct, but about a year ago evidence cropped out here and there which indicated that the general public had been very favorably impressed with the manner in which he had conducted his administration. While there was considerable resentment in conservative circles over his policies in regard to labor problems and public utilities, there was widespread recognition that the city's credit had been restored, that the disgraceful conditions in many departments, particularly that of corrections, had been cleaned up, and that in practically every department under his control there was greatly increased efficiency and a better return to the city for the money expended. He was also justly given credit for appointing the able commission which had, in the words of its chairman, performed two impossible things: first, agreeing upon a city charter although its members represented widely differing points of view; and second, persuading the people to adopt it. Many people recognized that this most important contribution to good government in the city would be largely lost if the new city administration, to which would be en-

trusted the application of the new charter, was controlled by the old political machines. The Tammany-controlled transit commission also materially helped the mayor's cause by rejecting a reasonable plan for rapid transit unification. A sound solution of transit unification is the key to many of the most important problems facing the city.

By the nonpartisan manner in which he had made his appointments the mayor had alienated many of the Republican party leaders, and many people considered it extremely doubtful that he could win the Republican nomination. The Fusion party, which was largely responsible for his election in 1933, likewise seemed much weaker than it had been four years earlier.

On the other hand his labor policies had earned him strong endorsement in labor circles, and the newly organized American Labor party was eager to show its strength in supporting him. The Democratic organization in the city was far from as effective as it used to be. This is particularly true of Tammany Hall in Manhattan. That famous political organization was seriously feeling the effects of decreased immigration and the tremendous shift of population away from Manhattan into the other boroughs, and had suffered heavily from lack of patronage not only in the city but in the state and federal governments as well. Its leader was in very poor health and it was known that there were internal factional differences.

In the Bronx the rise of the American Labor party threatened the domination of the Democratic machine. In Queens there was another serious factional fight,

and in Brooklyn the Democratic organization was also suffering from the same underlying causes as in Manhattan, except loss of population. In all of the boroughs there was a marked change in the willingness of the voters to accept machine leadership. With a single exception the metropolitan newspapers were favorably disposed toward the LaGuardia administration, and the same was true of all the important civic organizations.

As the preliminary skirmishing began it soon became evident that the campaign would be an extraordinary one in many respects. Bitter resentment was shown toward the mayor in many Republican clubs, but the chairman of the Republican county committee in Manhattan, Kenneth F. Simpson, recognized clearly that in the long run it would be more to his party's advantage to support LaGuardia on his record of good government than it would be to turn the city back to the control of the Democratic organization, and that the municipal campaign was not the place in which national issues should be thrashed out as a preliminary to the campaigns of 1938 and 1940.

DEWEY ACCEPTS NOMINATION

The prevalence of racketeering, with all its various ramifications, had long been realized by business leaders in the city, but the district attorney's office in Manhattan was either unwilling or unable to cope with it. Pressure for positive action became so great that the governor of the state was finally forced to appoint Thomas E. Dewey as a special district attorney with wide powers and ample funds to attack this problem independently of the district attorney's office. Mr. Dewey developed a new and most effective technique for attacking racketeers, and met with phenomenal success when he brought a large number of them to trial.

Since a new district attorney was to

be elected in Manhattan, the question of candidates for that post was inextricably linked up with the mayoralty campaign. A movement soon gathered headway to draft Mr. Dewey as the Republican candidate for this office, which had been held continuously for twenty years by the Democrats, and which, in the minds of many political observers, was more important to Tammany Hall than even the mayoralty. Mr. Dewey was most reluctant to accept the nomination, and finally yielded to the pressure only on the very last day for filing nominations. His acceptance, however, at once brought powerful support to the LaGuardia ticket from conservative and Republican quarters.

Another new factor in the situation was the Progressive Committee organized by Maurice P. Davidson, who had been a leading figure in the Fusion campaign of 1933. This committee represented, generally speaking, the liberal and radical elements outside of the Labor, Socialist, and Communist parties.

The Democratic organization early felt the lack of able and unified leadership and the influence of the friction between the national Democratic organization and Tammany Hall. It was also apparent that they were hard put to find any outstanding person as their candidate for mayor. Overtures were made to United States Senator Robert F. Wagner, but he declined. The Democratic leaders of the Bronx, Brooklyn, Queens, and Richmond finally agreed upon Grover A. Whalen, former police commissioner and head of the World's Fair Corporation, while Tammany Hall announced as its candidate United States Senator Royal S. Copeland on an Anti-New Deal platform. Senator Copeland also sought the Republican nomination. A bitter primary battle immediately began which was further complicated by the sudden death of Mr. Dooling, the leader of Tammany Hall,

and then by the withdrawal of Mr. Whalen and the substitution of Judge Jeremiah T. Mahoney.

Mahoney won the Democratic nomination rather easily, and LaGuardia won the Republican. Former Comptroller Joseph D. McGoldrick and Newbold Morris were the latter's colleagues for the city-wide posts of comptroller and president of the council, and Comptroller Taylor and Max Schneider were Mahoney's running mates.

As soon as the primary was over the Democratic organizations, at least outwardly, patched up their differences, while LaGuardia was faced with the interesting but unenviable task of running as the candidate of the Republican, City Fusion, Progressive, and American Labor parties, and practically as the candidate of the Socialists and Communists as well. To keep these discordant groups working even in a semblance of team play was a most difficult task. That he succeeded at all is an interesting political phenomenon and a real tribute to his political skill.

MAYOR'S ELECTION CONCEDED

As the campaign developed it soon became apparent that the Democratic candidate was waging a very dull and stupid campaign, based largely upon criticism of LaGuardia's supposedly liberal or radical tendencies and attempts to raise the Communist issue and to discredit the real accomplishments of the mayor's administration. The Communist issue didn't take, and the mayor retorted very effectively to Mahoney's attempt to discredit his accomplishments by putting out a series of statements reciting the accomplishments of one department after another.

About a month before election it became evident that there was a strong undercurrent in favor of the mayor, and two weeks before election most political observers conceded his re-election. The only question was whether his strength

would be sufficiently great to carry with him his running mates on the city-wide ticket and the candidates for the five borough presidencies who, together with the mayor, comptroller, and president of the council, make up the board of estimate which is really the controlling body in the New York City government. The outcome was an extraordinary endorsement of LaGuardia and the policies he had followed in the city government. He carried every borough with a total plurality of 450,000. McGoldrick was elected comptroller over the present incumbent, Frank Taylor, a very strong candidate, by a plurality of 165,000, carrying the three biggest boroughs—Manhattan, Bronx, and Brooklyn—and losing in Queens and Richmond by a small margin. Morris was elected president of the council by a plurality of 231,000, losing only the borough of Queens by about 4,000. Dewey was elected district attorney in Manhattan by a plurality of 109,000.

Four of the five borough presidents supported by LaGuardia were also elected. In the Bronx the Democratic candidate was elected by a plurality of 35,000 over the American Labor candidate. This is generally attributed to the fact that the Republican party in the Bronx insisted on running its own candidate who received 60,000 votes, thereby making possible the Democratic victory.

The voters of New York City were faced by no mean task when they entered the voting booths on November 2nd, for they not only had to vote for mayor, comptroller, president of the council, district attorney, and borough presidents, but also for judges of the court of appeals, supreme court, city court and municipal court, members of the constitutional convention, the state assembly, sheriffs, registers, and surrogates in some counties, and also on five

constitutional amendments and one state referendum. These all appeared on the voting machine. A picture of the voting machine makes a powerful argument for the short ballot. In addition they were faced with the first use of the proportional representation system in electing the new city council.

USE OF P. R.

When, to the surprise of many of its ardent supporters, proportional representation was adopted in November 1936 for the election of the new city council by an even greater majority than the new city charter, its supporters were fully aware of the fact that they had a large sized task ahead of them to educate the electorate in its use.

It soon became apparent that a majority of the board of elections was hostile to the system and would do everything within its power to discredit it.

The Democratic organizations also realized what a serious threat it was to their domination of the city's legislative body. Early in 1937 they instigated two law suits challenging the constitutionality of the whole system. These cases were decided by the court of appeals on June 2nd in a majority opinion which upheld the constitutionality of the charter provisions. One unfortunate result of the delay was that the manufacturers of the P.R. voting machine stated it would be impossible for them to turn out enough machines to equip even a single borough for the election in November. This meant that paper ballots would have to be used on a larger scale than ever before under proportional representation, and that the campaign of education would have to be even more intensive and on a larger scale if the application of proportional representation was to be successful.

During the winter the civic organizations, which had coöperated so effectively in bringing about the adoption of P.R., started the work of training speak-

ers to demonstrate and explain the new system. The political organizations were doing likewise through their political clubs. Efforts were also started to secure the nomination of some outstanding citizens in each borough. This was necessary because each of the five boroughs constituted a separate election district.

These efforts were, however, greatly handicapped by the delay in handing down the decision of the court of appeals, and it was well into the summer before much effective work could be done in this direction.

In March the Merchants' Association published a nineteen-page pamphlet entitled "Proportional Representation for New York City," which was intended primarily for the use of people giving demonstrations of the system or explanations to groups of voters.

COUNCIL CAMPAIGN

Classes for training speakers were started in the Men's City Club with attendance ranging from thirty to seventy-five. These classes were at first held monthly, then every two weeks, and, beginning about the first of August, weekly until about the middle of October.

In July the Proportional Representation Joint Committee was formed by about a dozen civic organizations to carry on an impersonal, nonpartisan campaign to inform the voters about P.R. This committee raised about \$2,200, and expended the larger part of it in printing and circulating 650,000 copies of a little leaflet explaining in very simple terms the voter's part in the P.R. system. It also offered to supply speakers who could explain and demonstrate the system to any organization which would ask for one. Something over 315 such meetings were held between July 1st and the election.

The League of Women Voters distributed about 100,000 copies of a very

effective broadside, conducted a number of other demonstrations, and manned booths in several department stores for about a week previous to the election, at which leaflets were distributed to the voters. The regular Democratic organizations also gave thorough and effective instruction to their members.

The newspapers gave much space to articles explaining how to use the system, and several of them printed sample ballots for the various boroughs.

When the time for nominations closed on October 5th, it was found that there were ninety-nine candidates in Brooklyn, forty-seven in Manhattan, forty-five in Queens, thirty-two in the Bronx, and seven in Richmond.

Many of these candidates were independents who thought that the new system offered an open sesame for any ambitious young person to break into public life. Most of them had no real organization support. On the other hand the regular Democratic organization nominated seven candidates in Manhattan, nine in Brooklyn, four in the Bronx, five in Queens, and one in Richmond.

A Citizens' Nonpartisan Committee, headed by Judge Samuel Seabury and containing representatives of the Republican, City Fusion, American Labor, and Progressive parties and some independent Democrats, nominated or endorsed fourteen candidates in Manhattan, ten in Brooklyn, four in the Bronx, three in Queens and one in Richmond. There were also several in each borough nominated by the Republicans, the American Labor party, and the City Fusion party.

Shortly after the time for nominations closed it became apparent that the candidates endorsed by the Seabury committee were conducting independent campaigns and that some coördinated effort would be necessary if the anti-Democratic voters were to obtain their fair share of places. The candidates of

the Seabury committee thereupon agreed to conduct a unified campaign in each borough. Headquarters were opened in Manhattan about three weeks before election, and George Brokaw Compton, who had so successfully conducted the charter campaign in 1936, accepted the difficult task of managing this joint effort.

In addition to such radio time and newspaper publicity as it was possible to obtain in competition with the mayoralty and the general city campaign, the Seabury committee printed ballot-guides containing the names of the candidates in each borough together with brief instructions to the voters on how to use the P.R. system. The chief problem here was how to get the guides into the hands of the voters. Neither the time nor the funds were available to send them by mail. It was finally decided to distribute them at the exits to the subway and elevated stations in the residential sections of the city on Thursday and Friday evenings preceding election from five to seven o'clock. This task was accomplished with the assistance of about 1,000 distributors, largely volunteers recruited by the various candidates and students from some of the colleges. The distribution was remarkably successful. Approximately 1,300,000 of the ballot-guides were distributed on these two days at the rapid transit station exits, and an additional 200,000 were distributed by the candidates themselves and the various parties at meetings and through house-to-house canvassing.

In the meantime the board of elections had been considering plans for the counting of the ballots. The election law required that the clerks who were to do the counting be recruited in equal numbers from the Democratic and Republican parties. The city charter provided that they must pass a qualifying examination given by the municipal

civil service commission. During the summer the board of elections challenged the validity of this provision and claimed that the state election law gave it the right to hold the examination. The matter was finally decided by the court of appeals, only on October 19th, in favor of the municipal civil service commission. The result was a noteworthy and highly necessary improvement in the calibre of those taking the examination.

PREPARATIONS FOR ELECTION

Although the board of elections knew on June 2nd that it would have to conduct the council election by the P.R. method, it did not work out definite detailed plans for the count during the summer, although it studied the practice followed in Cincinnati and Dr. Hallett, the recognized authority on the subject, had several conferences with its members. About a month before the election he had another conference with the board and submitted to it a detailed plan based upon his experience in Winnipeg, Cleveland, Cincinnati, and Hamilton. In the meantime the board had appointed a Republican and a Democratic director for the count in each borough. These men, as a whole, understood their task and did it well, although some of them were not in favor of the system.

About a week before the election the board requested the ten directors of the count and their consultants to formulate a detailed plan. This was finally done at an all-day meeting on October 28th. The result was that the consultants recommended substantially the plan suggested by Dr. Hallett. The following Monday—the day before the election—the board of elections finally approved the recommendation of their directors over the vigorous opposition of Chairman Cohen who held out for an earlier, more complicated plan. The board of elections had also decided several weeks before election to pay the

clerks ten dollars per day for the duration of the count, had fixed the working day at seven hours, exclusive of Sundays and holidays, and had hired an armory in each borough to conduct the count.

Naturally, when the detailed plan was agreed upon only the day before election, it was impossible to make all of the arrangements and to secure all of the equipment needed in time to start the count at 9 o'clock the day after the election. Several hours were spent the first day in assigning the clerks to their duties and instructing them in the methods to be used. It soon became evident that many of the clerks intended to work as slowly as they could in order to prolong the job. This had been anticipated, however, and the city administration and the civic organizations, as well as the press, very soon made known their resentment to these tactics. After a number of clerks had been discharged for tardiness or too obvious stalling this aspect of the situation improved. It was found possible also to change the methods of counting in various ways so as to expedite the process, and on the ninth day of the count the working hours were increased from seven to eight.

Shortly after the count started, evidence of concerted tampering with some ballots was found in the Bronx. This led promptly to the appointment of special representatives of the attorney general in the Bronx and Manhattan, and was held by some as evidence that the P.R. system was at fault. On the contrary it would seem to be to the credit of the P.R. method that the fraud immediately became apparent. No evidence was found of concerted tampering with ballots in any of the other four armories. Less than five hundred ballots were involved in the Bronx.

Fair comparisons of the New York count with those made in other cities are difficult to make because of certain

requirements of the New York State election law and of the New York City charter. The charter requires that the election districts be counted in a definite order, and that the number of first-choice votes cast for each candidate be ascertained. As a running check and as a matter of interest it was ascertained by election districts. These provisions necessarily retarded the counting process.

The results of the election amply justify the claims made for proportional representation by its conservative and well informed advocates. Instead of proving such a mystery to the voters that many of them would refuse to vote at all, that more than half of the ballots cast would be invalid, and the number elected would be around fifteen, as the critics of the system claimed, more ballots were cast for the council than there were votes for mayor. Of the council ballots cast 3.2 per cent were blank, 9.1 per cent were invalid for various reasons, and 87.6 per cent were valid. Twenty-six councilmen were elected, and the division between parties gives representation to minority groups roughly in proportion to strength. The membership will consist of thirteen organization Democrats, two independent Democrats, five members of the American Labor party, three Fusionists, and three Republicans, or a thirteen to thirteen division. Of the ballots cast 80.2 per cent actually helped to elect someone. This is in sharp contrast to the results in the last aldermanic election in 1935, when 5 per cent of the voters on the ordinary voting machine were unrecorded, and only 63.5 per cent actually helped to elect someone. In 1935 the Democratic party, with 66 per cent of the vote, got sixty-two out of sixty-five places, and the Republicans got the other three.

The use of the fixed quota of 75,000

votes resulted in fair apportionment of the seats among the five boroughs of the city in place of the grossly unfair apportionment in the board of aldermen. Eight members of the council reached the full quota of 75,000, and two others were within 2,000 of that number.

It was evident, as the count reached the final stages in each borough, that the Democratic organization had been much more successful in persuading its supporters to indicate a number of choices than had the opposition. The result was that the Democrats won two or three more places than their proportion of first choices would have entitled them to receive because of the large number of exhausted ballots cast by members of the opposition.

The count was finished in Richmond on November 15th, in Manhattan on November 23rd, in Queens on November 26th, in Brooklyn on November 27th, and in the Bronx, where no counting was done for several days because of a judicial investigation of ballot tampering, it was finished on November 30th.

It seems to be the consensus of opinion that the new council will have the best personnel of any city legislative body since the greater city was formed forty years ago. The experience with paper ballots this year will probably lead to the purchase of voting machines before the next election. There will undoubtedly be an attempt to repeal the P.R. provisions of the charter, but whether this will come before the next P.R. election is held will not be known for some time. The success of such an attempt will largely depend upon the manner in which the new council performs its duties.

EDITOR'S NOTE.—See also the analysis of New York's recent P. R. elections on page 52 of this issue.

NOTES AND EVENTS

Edited by H. M. Olmsted

City of Knoxville Favors City Manager Government.—The voters of Knoxville, in the city primary held November 13th, elected as their mayor a candidate pledged to abolish the mayor form of government. This was the first election held by the city of Knoxville under its recently enacted charter amendment abolishing city manager government and substituting therefor the mayor form of government.

Knoxville has operated under manager government since 1923, at which time the charter amendment providing for this form of government was adopted by a vote of the people. In the 1937 regular session of the Tennessee legislature, a bill was introduced abolishing the city manager form of government for Knoxville and vesting all the duties, powers, functions, and privileges previously exercised by the city manager in the mayor. According to the terms of this bill the mayor was to be elected by popular vote for a term of two years and was to be independent of any supervision or control by the council. This bill was enacted into law despite the presentation to the legislature of a petition signed by about four thousand residents of the city of Knoxville requesting that the measure be defeated or referred to the voters before becoming effective.

Immediately after the passage of the measure, a movement was started in Knoxville to secure the nomination and election of a candidate who would work for the restoration of city manager government. Walter W. Mynatt, former city manager, was selected as the candidate of this group. The group that sponsored the legislation abolishing city manager government chose as its candidate, George R. Dempster, the present city manager. Three other candidates were in the field for the office of mayor, but they received only a small percentage of the total votes cast. Mr.

Mynatt received approximately 55 per cent of all the votes cast as contrasted with about 40 per cent cast for Mr. Dempster. Since Mr. Mynatt received a majority of all the votes, a run-off election for the office of mayor is not necessary.

Although other issues were involved in the mayoralty election, none were as clear-cut as that on the form of government. Consequently, the selection of Mr. Mynatt as mayor indicates that a majority of the voters of Knoxville favors a return to manager government.

Mr. Mynatt pledged in his campaign that he would seek repeal of the act abolishing the city manager form of government at the next regular session of the legislature. Recent developments indicate, however, that some action may be taken before that time. It has been suggested that the foes of Mr. Mynatt contemplate asking the present legislature to repeal the measure at a special session now called or at another special session to be called at a later date. The repeal of the measure would leave the selection of a city manager to the newly elected city council, thus making it possible for some one other than Mr. Mynatt to be chosen to direct the city's affairs. Request for the repeal of the act at this early date, however, may be expected only if the foes of Mr. Mynatt feel that a majority of the newly elected council is sympathetic to their candidate.

M. H. SATTERFIELD

Tennessee Valley Authority

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Council-Manager Charter Election Being Investigated.—In the city of Yonkers, New York, where a proposed council-manager charter was defeated by a somewhat narrow margin at the November 2nd election, a grand jury has been assigned the task of holding hearings on charges of fraud. The City Manager League has alleged various irregularities, including the tampering with certain voting machines so that "yes" votes were counted as "no," and vice versa. The 127 voting machines in the city have been impounded.

Other Manager Developments.—Citizens of Des Moines are now expecting to have an opportunity to vote on the manager plan within the next few months. More than the ten thousand signatures necessary to call a special election were filed on December 17th. The Des Moines Bureau of Municipal Research is actively lending its efforts to the movement; J. C. Ferguson has been made manager of the campaign.

Movements to secure manager charters are also reported in Dalton, Douglas, and Elberton, Georgia. In a tax report of Minnesota, recently submitted to the governor of the state, one of the major recommendations was that Duluth and St. Paul should seriously consider the adoption of the manager plan.

Rochester, Minnesota, is drafting a manager charter to be completed this month. No date has been set for an election. Grand Forks, Nebraska, is circulating petitions for a vote on the manager plan. Little Rock, Arkansas, has a strong manager campaign under way.

Norfolk, Nebraska, which voted December 14th on the manager plan, defeated the proposal by twenty-four votes. Beloit, Wisconsin, will vote on April 5th on a proposal to abandon the plan.

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Training of Municipal Employees under George-Deen Act.—Under the expanded program by which the United States government has allotted \$6,000,000 of the \$14,000,000 appropriated for vocational education under the George-Deen act, numerous grants are being taken advantage of by states and localities to train public employees "on the job."

The American Municipal Association, emphasizing the greater flexibility in financing public service training under the new program, is urging its member leagues to assist their cities in drafting training plans eligible for these funds for the second half of the fiscal year; and it has also announced a study project to trace the progress of such programs in the nation's municipalities.

Appropriations paid out recently went to all but two states, and Alaska and the District of Columbia. To be matched 50-50 by states and localities, they ranged from \$12,000 to \$450,000 for the six-month period ending December 31, 1937. Part of this sum goes to aid financing of the long-established agricultural, domestic, and trade industrial train-

ing under the Smith-Hughes act, and part towards the new training of public service employees made possible a year ago by Congressional action.

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Central Purchasing Unit to Aid Local Governments in Pennsylvania.—Under laws passed and made effective in 1937, cities, counties, boroughs and townships in Pennsylvania may turn to the newly established State Department of Property and Supplies for prices and other information about the commodities which they need. The new state purchasing department hopes to be able to negotiate contracts with the vendors supplying the state which will permit municipalities to secure commodities at the same prices paid by the state.

Municipalities in Pennsylvania have also just secured legislative authorization to establish joint purchasing agencies in order that the governmental units within a single county can pool their purchasing power and thereby secure the price and other advantages which can be obtained by large quantity buying.

Coöperative municipal purchasing has been making definite progress in other jurisdictions. Leagues of municipalities in nearly a dozen states, according to the Governmental Research Association, are effecting savings for member cities by purchasing commodities in quantity lots. The Michigan Municipal League, first of these to do so, now purchases various items for more than a hundred municipalities. Centralized purchasing, in one form or another, is practiced in approximately 230 cities and 36 state governments.

*

More State Legislative Councils.—Illinois, like five other states, has followed Kansas and Wisconsin, first to adopt the legislative council idea, in appointing a group of legislators to examine proposed new laws during the interim between legislative sessions, and to make recommendations. Two others of these states—Connecticut and Nebraska—made the provision this year, according to the Council of State Governments.

The Kansas Legislative Council is viewed as one of the most active and successful of the agencies so far established. With a membership of fifteen representatives and ten senators, plus the presiding officers of each house, it meets four times a year between legislative

sessions. Its chief undertaking is to collect information and prepare a legislative program for consideration by the next legislature. It is also directed to investigate possibilities for consolidation in state administrative agencies; to study opportunity for local government reform, and to cooperate with the administration to improve administrative law and methods. Fifteen of the twenty members of the new Illinois council recently visited Topeka to observe the work of the Kansas council.

Kentucky, Michigan, and Virginia are other states with legislative councils. Colorado has a Committee on Interim Committees which is somewhat similar to a legislative council.

In New York, State Senator Thomas C. Desmond is advocating a permanent legislative council.

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Wisconsin State Reorganization.—The state government reorganization authorized by a recent special session of the Wisconsin legislature is getting under way. The reorganization act provides for increasing the power and responsibility of the governor, and also:

Establishes a new Department of Commerce, to promote business, attract new industry, and study ways of expanding markets.

Sets up a State Board of Agriculture and Markets, to replace the three-man commission which directed the former Department of Agriculture and Markets. Establishes the Wisconsin Agricultural Authority, a quasi-public, non-profit corporation, to aid the farmer by promoting high standards of quality, widening markets, improving shipping and merchandising methods and studying state farming conditions.

Replaces the Board of Control which managed the state's correctional institutions with two new departments: Corrections and Mental Hygiene.

Creates an interim committee of three senators, three assemblymen and a group of state officials to work with the governor in further reorganizing the administrative set-up. With the consent of the committee the governor is empowered to shift functions, divisions, boards and bureaus as seems most desirable. Changes become permanent unless rejected by either house of the legislature within ten days of the next regular session's opening.

Abolishes the former executive council and

creates a new one, consisting of three senators, three assemblymen, and directors and secretaries of major state departments.

*

Illinois Commission Studies Election Law Revision.—The new commission on election laws in the state of Illinois early in December adopted the following eight-point program for its guidance during the year, as reported in the *Chicago Daily News*:

1. Codification of the laws without change in substance, except where "necessary and proper."

2. A survey of the optional election laws of cities and townships.

3. A study of the regulations for local referendums, to achieve uniform plans for votes on bond issues, school measures, and local option.

4. Recommendations to provide uniform administration, to reduce expenditures, simplify the voting process, avoid the danger of errors, and "promote honest elections."

5. A study of methods of registration, preparation of ballots, voting machines, absentee voting and absentee registration.

6. The solicitation of suggestions from lawyers, judges and others with a special knowledge of and interest in election proceedings.

7. A series of public hearings on proposed changes and revisions, with hearings in each of the Supreme Court judicial districts.

8. The assembling and analysis of all available materials, including the reports of former state and local commissions, and the recommendations of authorities.

*

National Committee on Standards of Personnel Administration.—The Civil Service Assembly of the United States and Canada has appointed a national committee, the first of its kind in the personnel field, to establish professional standards for those engaged in public personnel administration. It is composed of Dr. Charles P. Messick, chief examiner and secretary of the New Jersey State Civil Service Commission and chairman of the New Jersey State Planning Commission, *chairman*; Dr. Clarence A. Dykstra, president of the University of Wisconsin, and former city manager of Cincinnati; and Dr. Leonard D. White, professor of public administration at the University of Chicago, and former

member of the U. S. Civil Service Commission. The committee will establish appropriate standards for three grades of professional competence in public personnel administration: junior, associate, and fellow.

To aid those wishing to qualify for certificates in these grades, the committee will outline experience and training requirements, prepare a study guide, and write a code of ethics for those engaged in public personnel administration.

COUNTY AND TOWNSHIP
GOVERNMENT
Edited by Paul W. Wager

North Carolina Sheriffs Shorn of Tax Collecting Duties.—During the last two decades one county after another in North Carolina has taken the work of collecting taxes away from the sheriff and given it to a tax collector appointed specifically for that task. Today fully a third of the one hundred counties, including most of the more populous ones, have taken this step. This is a significant departure, for the sheriff in North Carolina has collected taxes as one of his duties since the office was created in 1738.

It is a long needed reform, however, for since colonial times the sheriff has been a conspicuous failure as tax collector. Better collections have generally been noted in the counties in which the collectors have been appointed. Moreover, after being relieved of collecting taxes sheriffs have given more serious attention to their law enforcement and civil process duties with the result that the quality of service in these fields has shown surprising improvement.

*

North Carolina Bar Seeks to Reform Justice-of-the-Peace Court.—Among the tasks which the North Carolina Bar Association has assigned itself is that of cleaning up the justice-of-the-peace racket. Once a position of influence and dignity, the office has fallen in esteem until today it is almost an object of derision. While there are of course many competent and high-minded men serving as magistrates, the intellectual and ethical standards of the group as a whole are deplorably low. Part of the explanation is to be found in the large number who hold the office. Jus-

tices of the peace in this state are chosen in three ways: by appointment of the governor, by appointment of the legislature, and by popular election in a township. There are as a result of these three ways of entering the squirarchy, literally thousands of members thereof—five thousand as a minimum. The basis of compensation is another element in the explanation. The president of the State Bar Association says: "We all know J. P.'s who have formed partnerships with constables and have made a 'racket' out of the enforcement of the criminal law. . . . We all know J. P.'s who have converted appearance bonds to their own use and pocketed fines; who issue warrants for offenses over which they have no jurisdiction and collect costs thereon; who bulldoze and intimidate humble defendants; who render judgments by default without notice; who always give judgment for their regular customers; who sound out the views of other magistrates before removing cases to them; who have partnerships in removal cases; who regularly decide cases from personalities, prejudices or favoritism, rather than in accordance with the evidence; who are lacking in upright character. . . . In spite of this fantastic system, there is a small but courageous minority of magistrates who still manage to carry on their duties with nobility and self-respect which lift them above the multitude. It is not fair to them that they have to compete for business in such a system."

May the bar association succeed in purging the magistracy and elevate it to the position of eminence it originally occupied.

TAXATION AND FINANCE
Edited by Wade S. Smith

Current Trends in Local Finance.—As the so-called average taxpayer, or the reader of Miss Mohaupt's "Comparative Tax Rates for 1937" in last month's NATIONAL MUNICIPAL REVIEW, is aware, local property taxes are on the upgrade. The increase of 1937 levies over those of 1936 was general, and since further increases for the coming year are prospective, this department will consider as the year begins some of the factors underlying the trend.

Probably basic to the upward trend of

costs—the increase of ad valorem taxes is of course accompanied by a tendency to higher non-tax supported costs as well—is the one fact of recovery. The depression-borne stringency of municipal operations is now relaxing. Drastically curtailed operating budgets are seeking their normal level. Services and projects pruned out of budgets during 1932-35 have been reappearing. Salary reductions are being followed by restorations to former rates of pay, replacements of personnel and equipment held in abeyance for several years are now being made. Cities and counties, in other words, are working off their recent "economy basis" of operations.

Abandonment of "economy" in favor of "normalcy" means more than the restoration of operations on their former scale in many local units, however. All too frequently drastic budget and tax reductions were accomplished at the cost of a complete cessation of ordinary repair and maintenance programs. Cities ranging from hamlets to those in the highest population brackets let their physical plants get into disrepair. Streets went unpaved, buildings unpainted, machinery unrepaired until it almost literally fell apart. And now, to the extent that such "economy" curtailments have destroyed necessary equipment and properties, expensive belated repair or actual replacement is raising budgetary costs. Budgets for 1937 have in many instances reflected this type of item. Further increases are prospective for 1938, and will be required for some years to come if a few cities succumb to the easy lure of bonding this type of cost.

Getting off the emergency basis has meant, and means for 1938 budgets, a catching up on current activities which have been allowed to lapse to a greater or less extent. It means also the resumption of capital expenditures. Many cities have already begun to take up their capital programs at or near the places where they left off when the full force of the depression hit. In probably a majority of the cities and counties federal grants have been used to offset costs of at least part of the contemplated capital improvements. But in general, the beginning of 1938 finds the greater number of local units with long lists of improvements, many of them urgently needed and all desired by some portion of the local citizenry. While these costs will be

met almost universally by borrowing, and will in all too many cases be spread over twenty or thirty or more years, the debts must be repaid and debt service on new bonds will augment the other budgetary increases.

Debt service increases arising from new capital borrowing and increases in current operating costs as normalcy is resumed do not tell the whole story of mounting local budgets, however. Certain new charges are now becoming evident, some of them appearing for the first time in 1938 outlays. The federal social security program takes its toll in local contributions beginning this year, with county funds for old age and child welfare costs increased to match state and federal contributions on the expanded basis. While such increases are not universal, because not all the states have enacted legislation providing for participation in the federal program, enough have done so to make this item one of general importance in any study of local governmental cost trends.

In addition to welfare items represented by old age and child assistance, ordinary "emergency relief" costs are now striking at local budgets with full force for the first time. In perhaps the majority of local units the local share of relief costs when more than nominal because of exceptional local circumstances has been met wholly or in large part by borrowing. Some of this borrowing has been for a short term; some, unfortunately for the taxpayers, has been for extended periods of ten or even twenty years or more. The pyramided borrowing is now becoming a sizeable portion of increased debt service costs where relief bonding has been chronic. And even where relief costs have been carried largely from current funds, 1937 and 1938 have seen a growing realization that sizable outlays for relief will continue for some time, that outside aid is dwindling, that such costs had best be met entirely from current revenues, and that, specifically, little decrease in 1938 outlays is prospective in the light of the recent recessive trend of general business and industrial conditions. All of this means that the "emergency" in relief costs has been dropped, and actual welfare expenditures are off on a course which is probably upward so far as local contributions are concerned.

Such are some of the more important fac-

tors which are currently raising the level of local expenditures. There is nothing about them *per se* which makes the concomitant budget increases evidences of waste and extravagance. Even the most efficiently administered unit is vulnerable to such items as rising welfare contributions and resumption of delayed capital improvement programs. But where inefficiency and politics are rife in local administration, these swelling budgetary items hold reason for real concern on the part of thoughtful and sensitive taxpayers.

Obviously, with our local governments about to return to the pre-depression scale of operations, the need for the most ordinary safeguards and controls of public funds becomes doubly necessary. Depression-hit taxpayers were naturally quick to feel the sting of taxes when their own incomes were dwindling. Many of the organizations which were created under such impetus have already achieved remedial changes, either through corrective legislation or through the displacement of ineffectual administrations with those more in harmony with the ideas of economy prevalent in recent years. But taxpayers no longer feel as sharp an urge as formerly to examine local budgets, and—unless the current business recession proves less transitory and more serious than some observers appear to consider likely—their interest in attending council meetings and lobbying for corrective legislation in state capitals will continue to wane as recovery resumes during the coming year. If apathy toward local costs develops, it will be nothing less than tragic. Increased costs should mean all the more reason for the extension of the merit system, adequate budgetary control and accounting systems, and carefully conceived and honestly executed long-range capital planning.

The REVIEW and its parent, the National Municipal League, have found taxpayers as well as theorists extremely receptive during the past five years to all the well known aids to "economy and efficiency" which the organization has had a hand in developing. It is to be hoped that the advent of better times—which seem likely to become more pronounced during the coming year—will find local bodies more instead of less vigilant and active to put the finances of their communities on an enduring sound basis.

This is particularly true since waste arising

from loosely administered budgets based on expanded operations is not the only possible evil. Local government no longer presents the picture of confusion prevalent when the first municipal bankruptcy act was passed and municipal credit stood as near zero as it had been for a century. It does present, however, a picture in which vast territories of morass and quicksand still exist, in which numerous units have yet to begin even the most elemental of the steps toward financial solvency, and in which efficiency in administration often remains something talked about in political campaigns by local "plunder-bunders" who have learned a new vocabulary but have not changed their practices.

In point of fact, there are very few cities which are not vulnerable to some extent to the remnants of fiscal chaos of recent memory. The local tax system remains upon its shaky basis, with the willing wheel horse of the ad valorem property tax the chief reliance in all but a few situations where freakish circumstances make other revenues abundantly available. While ad valorem tax collections held up surprisingly well during the depression, all things considered, and while they have shown amazing resilience in returning by the end of 1936 to a level approximating that of predepression days, many cities will show a less favorable trend when the 1937 data is at hand. Not only are current 1937 collections slipping in numerous instances, but the backlog of delinquent taxes, which worked miracles in many 1935 budgets and balanced operations the following year for numerous other cities for the first time since 1932, is becoming diminished. Often it represents at present an asset which is going to be realized slowly and with difficulty, and occasionally an asset which even local budget-makers are prone to omit from their reckonings. The meaning here, which 1938 tax bills will impart to numerous taxpayers for the first time as a brand new idea, is that current taxes must be raised to offset the dwindling delinquent collections.

A few states have taken advantage of the recent years' stress to strengthen their tax systems. In many more, however, nothing has yet been done to correct the definitely damaging record of remitted penalties, postponed tax sales, and compromised taxes. Tax exemption of homesteads looms on the horizon

as a new fad which, in conjunction with overall tax rate limits, may wreck new havoc in the communities of the states where it is tried.

Finally, the need for new capital improvements opens up the way for a repetition of the berserk bonding of the 1920's. Certain basic principles—among them that the life of the bonds should not exceed the life of the improvement—are already being violated by cities and counties which have come into the market during the last year with offerings of new capital bonds. It will be only a short time until the catastrophic effects of special assessment financing are forgotten and this easy method of evading debt limits is again in favor with numerous cities. This will be particularly true if the federal government's recently announced plans for a building boom materialize and new subdivisions are allowed to develop along unordered lines and with little attention to the realities of repayment of the attendant public and private debt. Our friends, the organized realtors, who have straight-jacketed a large number of communities in the effort to avoid costs for items which were held out to prospective buyers in the 1920's as enhancing property values, will in all probability repeat their programs of whooping it up for bigger and better improvements, all of which will mean dangerously inflated public charges just about the time the next cyclic economic burst occurs. Sound capital planning is not only advisable from the taxpayers' viewpoint, it is one of the most important needs during the coming period of rising local costs.

These, then, are some of the current trends in local finances which appear to this department to stand out because of their potentialities. Readers of this department, or of any other publication which during the past year has contained matter in abundance citing the increasingly favorable trend of local finances, will need to temper this oft-times rosy picture of the current scene with just one thought: the favorable trend of yesterday materializes into what is an easy situation today and may, unless vigilance and intelligence is exercised, turn into tomorrow's unfavorable status. The fact that the current situation is in general basically sound is encouraging. But it can be so maintained only at the cost of such colorless but vital means

as equitable assessment technique, sound budget and control procedure, conscientiously administered merit and purchasing systems, competent long-term planning, and administration based on intelligence rather than on political patronage.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

New York's First Use of P. R.—A Study in Contrast.—On November 2nd New York City elected members to three legislative bodies—the new city council which replaces the three-hundred-year-old board of aldermen but with increased powers, the state assembly, and the state constitutional convention which meets in April. In electing these members it used three different methods of election.

In electing the new council the city used proportional representation for the first time, from borough-wide districts, with the following results:

COUNCILMEN ELECTED

	BRONX	BROOKLYN	MANHATTAN	QUEENS	RICHMOND	TOTAL
Organization						
Democrats	3	5	3	1	1	13
Insurgent						
Democrats ¹	0	0	0	2	0	2
American Labor	2	2	1	0	0	5
Republican	0	1	1	1	0	3
City Fusion	0	1	1	1 ²	0	3
Total	5	9	6	5	1	26

Newbold Morris, elected as president of the council by city-wide vote on the Republican,

¹The Roe Democratic faction in the borough of Queens ran three candidates, who were not supported by the regular Democratic organization. Two of them, including former Assemblyman and Alderman James A. Burke who led the ballot in Queens, had no designations after their names on the ballot. The third (one of those elected) was allowed to use the word Democrat. The City Fusion candidates elected in Brooklyn and Manhattan are Democrats in national politics.

²Charles Belous, elected with City Fusion designation, is a member of the American Labor party and has announced his intention of cooperating with the Labor group in the council.

American Labor, City Fusion, and Progressive tickets, has a casting vote in case of a tie.

This even balance of opposing forces is, from any reasonable point of view, refreshing in contrast to the top-heavy Tammany majorities in all recent sessions of the board of aldermen. Never since 1913 have the regular Democratic organizations in the five boroughs failed to elect a substantial majority of the aldermen regardless of what happened in the election of a mayor. In the last board of aldermen they had sixty-two members out of sixty-five.

Because Mayor LaGuardia's great Fusion victory this fall carried in with him all but one of the members of the board of estimate—the mayor, comptroller, president of the council, and the borough presidents of Brooklyn, Manhattan, Queens, and Richmond—it might seem at first glance that this time, if the old system of election had been kept, Fusion would have swept the council also. That this impression is entirely unjustified is shown by what actually happened to most of the many offices except the major ones just named. The Democrats carried all the county offices except that of district attorney for New York County, most of the judicial offices, and an overwhelming majority of the city's assemblymen and delegates to the state constitutional convention.

The election of assemblymen shows most clearly what would probably have happened under the old system, for the city's assembly delegation is elected by partisan plurality vote from sixty-two single-member districts most of which coincide with the old aldermanic districts. In this election the results were as follows:

ASSEMBLYMEN ELECTED*

	BRONX	BROOKLYN	MANHATTAN	QUEENS	RICHMOND	TOTAL
Democratic	6	19	17	6	2	50
Republican	0	1	5	0	0	6
American Labor	2	3	1	0	0	6
Total	8	23	23	6	2	62

That the even division resulting from P. R.

in the council would have come much nearer giving the voters what they wanted in the assembly also is shown by the following figures:

ASSEMBLY VOTES

PARTY	VOTES	PERCENTAGE OF VOTES	PERCENTAGE OF MEMBERS
Democratic	962,013	49.6	80.6
Republican	520,099	26.8	9.7
American Labor	338,078	17.4	9.7
City Fusion	90,866	4.7	0
Socialist	25,077	1.3	0
Progressive	1,655	.1	0
Total	1,938,088	100	100

Under the old district plurality plan less than half the voters thus elected four-fifths of the city's assemblymen.

The delegates to the constitutional convention were elected in blocks of three from the state senatorial districts. There were also fifteen elected by block vote from the state at large. In the plurality elections of district delegates from New York City the Democrats made a clean sweep in eighteen districts out of twenty-three and elected two out of three in each of three other districts. The results were as follows:

CONSTITUTIONAL CONVENTION DELEGATES ELECTED

BOROUGH	DEMOCRATS	REPUBLICANS	AMERICAN LABOR	TOTALS
Bronx	8	0	1	9
Brooklyn	22	1	1	24
Manhattan	21	6	0	27
Queens	6	0	0	6
Richmond ⁴	3	0	0	3
Total	60	7	2	69

The number of districts carried by the Democrats indicates what might have happened in the council election if the new charter had been carried without P. R. The charter provided that if P. R. were rejected in the separate referendum on that question the councilmen should be elected one each from the senatorial districts, with three additional

*Where two or more parties combined on the same candidate, his election is credited in this and the following tables to the party which gave him most votes. The Republican and Labor parties combined in several districts, the Democrats and Labor in one, and in several the City Fusion Party supplied essential blocks of votes to Republicans and Labor.

⁴Richmond (Staten Island) is combined with Rockland County, northwest of the city, in one Senatorial district. The Democratic majority in Richmond overcame a Republican majority in Rockland.

members at large from each of the boroughs of Brooklyn, Queens, and the Bronx, to correct partially their present underrepresentation in the state senate.

Automatic Reapportionment

How seriously these boroughs are under-represented in both houses of the legislature may be seen by comparing their representation in the tables above for the constitutional convention (senate districts) and the assembly with their automatically fair representation in the new council. The P. R. provisions give each borough as many councilmen as it polls multiples of 75,000 valid votes (with an additional councilman for a remainder of 50,000 or more). As a result Queens elected five councilmen to Manhattan's six whereas it formerly had six aldermen to Manhattan's twenty-four.

The same plan of P. R. in large districts with a uniform quota will be urged on the constitutional convention as the easiest and fairest way of solving the knotty problem of reapportionment for the state. The successful use of P. R. in Brooklyn and Manhattan shows that P. R. is thoroughly practicable for any district that would be required for that purpose.

A Heavy Vote

Opponents of the P. R. plan had freely predicted it would prove so confusing that a large part of the electorate would be disfranchised. To meet this danger an extensive campaign of education was carried on by the newspapers and civic groups, and when election day came the voters took the new system in their stride. There was no delay or disorder at the polls, and actually more people took the P. R. paper ballots into the separate booths and dropped them in the ballot boxes than voted for mayor on the voting machines.⁵

About 3.2 per cent of these ballots—73,558 to be exact—were found to be blank, but in the Bronx, Queens, and Richmond more people actually marked their P. R. ballots than voted for mayor and in every borough more people did so than voted for comptroller or borough president.

This phenomenal display of interest more than cancelled the number of invalid ballots, which—naturally enough under the circumstances—ran higher than in most P. R. communities. The invalid ballots varied from 10.6 per cent of those marked in Manhattan to 8.7 per cent in Queens and 5.3 per cent in Richmond where only one was to be elected, the number for the entire city being 210,557, or 9.5 per cent.

This left the total valid vote for the council at 2,013,101, more than 100,000 above the highest vote ever cast for the board of aldermen. It also exceeded the total valid vote for the state assembly in every borough. In the Bronx it exceeded the total valid vote for borough president and in Queens it fell short of the borough president total by only thirty-three votes.

Half a Million More Votes Effective

Of the ballots that were valid so many more were effective in actually electing someone under P. R. than under the old systems that 600,000 more New York City voters are represented in the new council than in the new state assembly and nearly half a million more than were ever represented in the board of aldermen. Here are the figures, votes which counted for successful candidates being termed "effective" and those which counted only for losers being termed "wasted" (though in the P. R. election numbers of the "wasted" ballots were marked for successful candidates elected by others):

EFFECTIVE AND WASTED VOTES

	EFFECTIVE	WASTED	TOTAL VALID
P. R. Council, 1937	1,615,036 (80%)	398,065 (20%)	2,013,101
Assemblymen, 1937	1,016,832 (52%)	921,256 (48%)	1,938,088
Aldermen, 1935	1,146,938 (67%)	565,133 (33%)	1,712,071
" 1933	1,044,882 (55%)	849,928 (45%)	1,894,810
" 1931	854,590 (65%)	454,704 (35%)	1,309,294
" 1929	847,951 (63%)	505,769 (37%)	1,353,720
" 1927	690,549 (63%)	401,987 (37%)	1,092,536
" 1925	702,052 (63%)	414,976 (37%)	1,117,028
" 1923	578,029 (59%)	399,108 (41%)	977,137
" 1921	644,774 (57%)	492,368 (43%)	1,137,142
" 1919	490,550 (52%)	455,074 (48%)	945,624
" 1917	329,419 (53%)	293,408 (47%)	622,827 ⁶

⁵These ballots numbered 2,297,216 as compared with a total vote for mayor of 2,237,824.

⁶The last and largest vote before women's suffrage.

The additional effective votes under P. R. represent more than mere numbers of additional satisfied voters. They represent large minorities with distinct views that would have no share in the council if they had to carry a district in order to get representation.

Still Room for Improvement

Although P. R. has already brought this tremendous improvement in representation, a closer examination of the figures shows that the people have not yet taken full advantage of its opportunities. If there had been more team work among the various Fusion elements they would have had a clear majority of the council without the help of the insurgent Democrats and the casting vote of the president, for it seems pretty clear from the first-choice votes that a small majority of this Democratic city would have liked this time to give the nonpartisan mayor a friendly council.

The voters' failure to make this desire fully effective was due in part to the number of candidates. There were ninety-nine candidates in Brooklyn, forty-seven in Manhattan, forty-five in Queens, thirty-two in the Bronx, and seven in Richmond. Most of these were opponents of the hitherto dominant Democratic organization, which concentrated on nine candidates in Brooklyn, seven in Manhattan, four in the Bronx, four in Queens, and one in Richmond. The Democrats had the further advantage of having a single word, Democrat, on the ballot after all their names; while the candidates representing the various Fusion elements that campaigned with the mayor had a variety of labels—Republican, American Labor, Citizens Non-Partisan, City Fusion, Progressive, Socialist, and Communist.*

The Citizens Non-Partisan Committee, headed by Judge Seabury, put forward a selected list of well qualified candidates in each borough drawn from all the Fusion groups except the Communists, and attempted with considerable success to focus public attention on them, but the committee's action was taken too late to

get circulated for all of them the new petitions which would have been necessary to give them all the distinctive Citizens Non-Partisan designation on the ballot. Ten of the eleven Fusion councilmen elected were members of this ticket, but without a common label and with too many candidates in Manhattan and Brooklyn for easy memorizing many of the ballots which should logically have transferred from the defeated candidates on the ticket to others were marked with too few choices and became exhausted.

In this way a clear lead for Fusion on the first choices was dissipated. Between the first count in each borough and the count when the last unsuccessful Fusion man was defeated 94,111 more Fusion ballots were exhausted than were similarly lost to the Democrats. These would have been ample to wipe out the margins against Dr. William Jay Schieffelin, president of the Citizens Union, in Manhattan,⁸ Dr. Frank S. Hackett, founder and head master of the Riverdale Country School, in the Bronx, and John Gelo, a prominent needle trade labor leader, in Brooklyn, and to elect them instead of three of the Democratic aldermen. Also 3,000 more valid ballots would have given Manhattan a seventh councilman and thus elected Dr. Schieffelin anyway.

Independent Voting

There was a large amount of independent voting, as shown by the transfers from candidates of one party to those of another. The Democratic organization candidates lost less strength in this way than did their opponents and owe a good part of their measure of success to the independent votes they received on transfer. They had a total of 619,232 first-choice votes and this had grown to 787,614 by

*When former Immigration Commissioner Edward Corsi, a Seabury ticket candidate, was defeated in Manhattan, 14,252 of his 33,022 ballots became exhausted. A little earlier Dr. John H. Johnson, another member of the Seabury ticket and last of the four Negro candidates from Manhattan to be defeated, went out with 29,943 ballots to his credit and 11,316 of them became exhausted. The Johnson ballots especially were expected to go in large numbers to Dr. Schieffelin, who is chairman of the board of Tuskegee Institute and widely known as a friend of the Negro race, but he received only 3,090 of them. Eleven thousand more votes, which might have been expected to go to him from this transfer alone, would have elected him ahead of Alderman Carroll.

⁸The various statements about "Fusion" council candidates in this article refer to all candidates who ran with any of these designations on the ballot and also two Brooklyn candidates (Cox and Miller) who were actively supported by the Citizens Non-Partisan Committee and the Progressive Party respectively. The Communists are included because they supported the mayor and urged second choices for the American Labor Party candidates for council.

the time the relative size of the Democratic and Fusion groups in the council was determined. The Fusion total dropped from 905,144 to 787,929 during the same transfers.

The totals in the deciding counts (the ones on which the identity of all the councilmen was known but before the ballots of the runners-up were transferred to complete the record) were as follows:

REPRESENTATION IN THE COUNCIL

PARTY	VOTES	MEMBERS
		ELECTED
Democratic	787,614	13
American Labor ^a	359,753	5
City Fusion ^a	179,866	3
Republican ^a	144,494	3
Insurgent Democrats	120,509	2
Other Fusion Designations ^a	45,820	0
Communist ^a	41,564	0
Unattached	16,432	0
	1,696,052	26

Because of exhausted ballots and borough remainders the results are not exactly proportional, but they obviously approach proportionality much more closely than could ever be hoped for under any plurality plan, either by districts or at large.

Improved Personnel

The quality of the city's legislative personnel has been vastly improved. Eleven of the twenty-six councilmen (including the two insurgent Democrats from Queens) were Democratic members of the last board of aldermen, but they are drawn, generally speaking, from the more active and capable members of the board. Practically all of the new members appear to be of a much higher type than the average alderman. They include Mrs. William P. Earle (elected with only a City Fusion designation), only woman member of the recent city charter commission; B. Charney Vladeck, manager of the *Jewish Daily Forward* (leader of the Labor group in the council); former State Senator Joseph Clark Baldwin (Republican), who once comprised the entire minority in the board of aldermen; and former Assemblyman Albert D. Schanzer (Democrat).

The new council is one in which there appears

to be a real chance for constructive county government reorganization and other needed legislation that is long overdue.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

California Governmental Research Association.—In October governmental research workers from more than forty research and public service agencies in California met in the offices of the Bureau of Public Administration of the University of California, and after an all-day meeting, formed the California Governmental Research Association.

Harry F. Scoville, director of the Los Angeles County Department of Budget and Research, is head of the new organization. Professor Samuel C. May, director of the Bureau of Public Administration at the University of California, is executive secretary of the California group. The six directors of the association are Richard Graves of the League of California Municipalities, Emery E. Olson of the school of government of the University of Southern California, Russell M. Story, president of Claremont Colleges, Frank M. Stewart of the Bureau of Governmental Research of the University of California at Los Angeles, Stuart R. Ward of the Commonwealth Club of San Francisco, and Fred B. Wood, the state legislative counsel at Sacramento.

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Taxpayers Research Bureau of Utica, N. Y.—The bureau has been greatly interested and actively engaged during the past year in considering recommendations for the revision of the city charter and the advisability of the purchase by the city of the water company, now owned by private interests.

Mayor Vincent R. Corrou appointed a commission of twelve to consider charter revision, of which commission the executive director of the Taxpayers Research Bureau was appointed a member and secretary. At the end of six months, this commission recommended to the common council several revisions to the city charter, all of which, with one exception, have been held over for a possible referendum by the people at the November 1938 election. The one exception was a recommendation adopted as a local law, effective

^aA total Fusion vote of 771,497, electing eleven councilmen. A large part of the 74,146 first-choice ballots which were cast for Communist candidates and of the 29,232 cast for Socialists were transferred to American Labor Party candidates before this stage was reached.

January 1, 1938, pertaining to a method of reducing the bonded indebtedness of the city. This local law provided that the city shall not in any one calendar year issue bonds in excess of 75 per cent of the amount of the principal of bonds actually paid or to be paid by the city in the same year, unless authority to issue bonds in excess of 75 per cent has first been obtained from the people of the city by the affirmative vote of the majority of the voters participating in a special or general election at which the proposition to issue the bonds shall have been submitted to them pursuant to law. By this method, if the full 75 per cent of new bonds were issued each and every year, in thirty years the bonded indebtedness will have been reduced from \$12,600,000 to \$3,000,000.

During the year, the mayor appointed a citizens committee of ten to consider the purchase by the city of the water company which, in addition to supplying the city of Utica, also supplies water to a number of villages and towns. The executive director of the bureau served as secretary to this committee which negotiated with owners of the water company and recommended to the mayor that the water company be purchased by the city.

Although this purchase was approved by the New York State Public Service Commission and by the New York State Water Power and Control Commission, the mayor's committee withdrew its recommendation to the mayor for purchase at this time because of a stipulation by the Water Power and Control Commission in their acceptance of the proposed ownership by the city of Utica. The stipulation stated that at any time, on request of any of the towns or villages served by the water system, the city of Utica should convey to any such town or village such part of the system within the town or village boundaries at a fair and reasonable price, and that the amount already paid (charge for water used) by the town or village to the city of Utica toward the retirement of the bonds issued should be used as credit toward the purchase.

JOHN W. NOWLAND, *Executive Director*

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Kentucky Tax Reduction Association.—Research work during 1937 by the Kentucky Tax Reduction Association has consisted of two principal undertakings:

1. Compiling and publicizing data as to

the income, expenditures, and indebtedness of the state government of Kentucky. This work has been greatly simplified, at least as to income, by the systematic records and reports prepared by the reorganized department of revenue. The commissioner, James W. Martin, has written a new chapter in tax administration in Kentucky.

2. Work in coöperation with the research staff of the legislative council, whose members have been engaged in a thorough study of county governmental reorganization since May of this year. It is gratifying to us that all the major objectives of the Kentucky Tax Reduction Association, as put forward in 1934, have been included in this undertaking of the legislative council.

GEORGE T. HOLMES, *Executive Secretary*

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Civic Affairs Council of Southern California.—Rapid development is taking place in the science and art of public administration. Administrators and researchers characterized by clarity of thought and realistic imagination are carrying forward programs of practical application as well as experimentation. We now face the question as to whether or not the scientist will be permitted to use his knowledge and skill in the management of public affairs. In a democracy the answer is yes only if, on the part of the public, there is a sympathetic understanding of the spirit of research and the place of new techniques in the new civilization necessary to attain the objectives implied in the constitutional phrase, "promote the general welfare."

Paralleling the academic and professional program of the school of government at the University of Southern California is the Civic Affairs Council, with its primary purpose as stated in 1933, "to stimulate the study of government on the part of all citizens." It is a voluntary association of organizations of varied character—commercial, women's, educational, religious, service, government employee, patriotic, and civic groups—which informally through their appropriate representatives, i.e., civic, legislative, citizenship, or public affairs committees, use the Civic Affairs Council as a clearing house for information and techniques which may aid in the accomplishment of the principal purpose.

The Civic Affairs Council publishes each

month, excepting July and August, an eight-page summary of materials helpful in an understanding of local government in the Pacific southwest area, together with news notes concerning the progress of various activities helpful in improving public administration. Bibliographical notes are also made available to the chairman of the civics committees of the various community organizations.

High school and junior college faculties find that the materials are useful in connection with the teaching of various courses in social science. More than two thousand copies are used regularly in the classrooms of Southern California. Departmental administrative heads furnish realistic material for publication. Thus the citizen, the school, the local government, and the professional training institution find a common denominator for their interests.

With the year 1938 marking the tenth anniversary of the establishment of the school of government at the University of Southern California, it is still evident that the creation of professional standards, the training of public officials, the publication of the results of research, and the induction into public service of well trained men and women is not sufficient to secure the maximum gain because there is still a need for better understanding of the whole problem in so far as citizens are concerned. The Civic Affairs Council is facing this challenge to the extent of its resources.

EMERY E. OLSON, *Chairman*

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The Commonwealth Club of California.—

The club has just published a report on the topic "Why Air Wrecks?" This report is the result of a study instituted last February immediately following last winter's series of air disasters. This report, which embraces seventy-eight printed pages, is believed to be the first study of air disasters by a citizens' organization. It includes a number of recommendations by the club's aviation section for increasing the safety of air travel and a summary of the "facts, conditions, and circumstances" surrounding each air wreck from August 1934 to March 1937, in addition to the official findings reported by the government as the "probable causes."

A report of the city and county government section, now in process of publication, proposes that cities and counties of California establish permanent labor dispute boards, to

be named from three panels selected respectively by labor, employers, and the public (as under the Toledo plan), this board and its executive secretary to be at work constantly on efforts to avert possible strikes.

A study section on Latin American problems is in the process of formation.

Studies of the various sections already well under way include a state fish and game plan; a plan for land use in California; a survey of the cooperative movement, both in the United States and abroad, with probable recommendations; the interstate migrant situation which has arisen in California because of the hegira from the "dust bowl"; an attempt to designate those possessions and issues over which the United States would take recourse to arms, including consideration of the Monroe Doctrine, the status of the Aleutian Islands, Hawaii, and the Philippines.

The highway and the city planning sections during the year made two reports on highway and transit problems arising from the construction of the San Francisco Bay bridges.

Notable among the more than four hundred speakers who have addressed Commonwealth Club groups during the year were Sir George Paish, Minister Charles Davila, Sherwood Eddy, Donald Richberg, Editor Paul Kellogg, Ambassador Georges Bonnet, Ambassador Fulvio Suvich, General Yang Hu-Cheng, Governor "Alfalfa Bill" Murray, President James Bryant Conant, Warden James A. Johnston, Dr. T. Z. Koo, Dr. Hu Shih, and Governor Gifford Pinchot.

The jury for the Commonwealth Club's annual gold medal literature award contest for 1937 is reading a number of books entered by California authors and their publishers. The list, bidding fair to exceed the length of that entered in any of the six previous contests, is most diverse in character.

Club membership is on the increase. A \$10,000 bequest was received during the year from the estate of P. C. Hale, long treasurer of the club.

STUART WARD, *Executive Secretary*

*

Philadelphia Bureau of Municipal Research.—At the regular session of the state legislature of Pennsylvania the proposed constitutional amendment for city-county consolidation, which was drafted by the bureau, was given its second legislative approval. In

November it was submitted, along with four other proposed amendments, to a vote of the people of the state. While it received a handsome majority in Philadelphia, the up-state vote was so strongly against it that the amendment was defeated.

Assuming that the city-county consolidation amendment would be approved by the voters, the legislature in its regular session of 1937 created a Philadelphia Charter Commission to prepare a charter for the consolidated city-county government. This commission organized and went to work in the early summer. While the defeat of the amendment has narrowed the possibilities of charter revision for Philadelphia, the charter commission is continuing with its work and expects to report its recommendations to the legislature at its next session, which may be a special session in 1938. The bureau has worked in close cooperation with the charter commission from the beginning. Among other things, at the request of the commission, the members of the bureau's staff have prepared reports on "Executives and Legislative Bodies of American Cities," "Philadelphia's Budget Procedure," "Personnel Administration in Philadelphia," and "A Topical Index of Statutes and Ordinances Affecting Philadelphia's Government."

In 1925 the bureau published an "Index of Philadelphia Ordinances," and in 1927 a supplement to that index. These two publications were found most useful by practicing attorneys as well as by city officials. About a year ago the Philadelphia Bar Association requested the bureau to bring its index down to date and offered to meet the cost of the work and of publishing a revised index. The bureau undertook this task and has now completed it. A revised edition of the index of ordinances is in the course of printing and will shortly appear under the imprint of the Philadelphia Bar Association.

Early in 1937 the bureau brought down to December 31, 1936, its record of payments made on the delinquent city-county taxes of 1932 on properties in the central business district of the city. A report containing an analysis by assessment groups of the 1932 delinquent city-county taxes for the entire city, as well as an analysis of the payments made on the delinquent taxes in the central business district from January 1, 1933, to

December 31, 1936, has been completed and is now being mimeographed for publication.

As the city gave notice in the summer of 1936 that it proposed on December 31, 1937, to terminate the agreement with the Philadelphia Gas Works Company for the operation of the city-owned gas works, the bureau undertook a study of the gas problem confronting the city, with a view to making constructive suggestions for a plan for the operation of the gas works after the termination of the present agreement. Results of this study have been published from time to time in the bureau's weekly periodical, *Citizens' Business*. Because of conflicting viewpoints in the city administration, no decision has yet been reached on a new plan of operation.

During 1937 the bureau cooperated with other organizations in the field of personnel administration. For the Pennsylvania Federation of the Merit System, it prepared a report entitled "A Merit System for Pennsylvania." This was published by the federation and used in an effort to secure the enactment of a state-wide civil service law. The director of the bureau also prepared for a special advisory committee on the merit system of the Pennsylvania Committee on Public Assistance and Relief a report on "A Merit System for the Public Assistance Services of Pennsylvania."

Among other activities of the bureau during 1917 have been cooperation with the mayor's financial advisory commission, which was appointed to recommend a plan for the guidance of the city administration in meeting the rather crucial financial problems now confronting it; assistance to the attorneys of the Committee of Seventy and a number of institutions and individuals interested in Philadelphia city bonds in litigation to test the constitutionality of an act of the 1937 legislature authorizing a consolidation of the sinking funds of the city of Philadelphia; current analysis, for the Philadelphia Committee on Public Affairs, of bills affecting Philadelphia that were introduced in the 1937 session of the legislature; preparation of a memorandum on a bill abolishing the municipal court of Philadelphia and setting up in its stead a family court; and examination of proposals for the reorganization of the transit system of Philadelphia.

Research Department of the Portland Chamber of Commerce.—In the Portland Chamber of Commerce the search for facts and the analysis of these facts to show their significance in relation to problems dealt with are accomplished by the research council and the research department. The research council numbering nearly one hundred is composed largely of architects, attorneys, business men, economists, engineers, financiers, industrialists, tax authorities, and other technicians. The council operates through committees. Some of these committees undertake the compilation of data. But their outstanding service lies in the analysis of data and the preparation of reports.

The research department collaborates with the research council in the collection and analysis of data and in the preparation of reports. It supplies a wide range of service to other departments of the Chamber of Commerce and to those who may apply to it for information.

During the past year committees of the research council, assisted by the research department, have taken up the following governmental research projects:

1. *Effect upon the tax base of Oregon Counties of the removal of lands from the tax roll through acquisition by state or federal government.* A subject of vital interest in Oregon and some other western states.

2. *State compacts.* The study of this subject is being emphasized this year by the Chamber of Commerce of the United States.

3. *Police pensions.* Assigned to the governmental research committee of the research council in the hope that a sound police system may be offered in contrast to the unsound system now in effect, and an equally unsound system presented to the voters under the initiative in November 1936.

4. *Teachers salary amendment.* An initiative amendment looking to restoration to teachers of the reductions in salaries due to the depression was defeated in part at least because so drawn as to defeat its purpose. Referred to governmental research committee for analysis of the problems and recommendations.

5. *Oregon initiative system.* Many abuses have grown up in the use of this system in Oregon. Governmental research committee

will seek to minimize the abuses and thus strengthen the system.

6. *Master city plan study.* This study involves research as a basis for constructive action in relation to traffic, transit and terminal unification; rehabilitation of blighted areas; public works; industrial sites; taxation; and other problems, as well as coöperation with the city planning commission and the formation of citizens' forums.

The research department completed its contribution to an exhaustive report on the various factors affecting pulp and paper manufacture in the Pacific Northwest. Responsibility for this report was assumed by the United States Engineers, Bonneville Section, United States Forest Service and the Research Department.

The report has been published in three volumes.

An *Industrial Survey of Oregon* is approaching completion. The origin, development and present location of Oregon's basic industries as well as their foundation in raw material resources, soils, and climate have been traced by the research department. Oregon State Planning Board has supplied charts showing industry location. And the bureau of business research of the University of Oregon has contributed valuable material.

An *Economic and Distributive Survey* of the western United States trade area by the research department has been a major research project during the past year. Progress has been slow because of the tremendous number of current demands upon the department. The survey will report on raw material resources, crops, the manufacturing industries, market indices, wholesale and retail distribution: an exhaustive survey which when completed will make possible an appraisal of the comparative advantages of Pacific coast ports. In addition to these more pretentious projects, the research department has prepared quarterly surveys of business conditions, monthly indexes of business conditions, and a large number of economic, distributive and other surveys.

With the approach of a political campaign it is anticipated that the research council and the research department will be called upon to pass upon numerous legislative proposals.

FRANK M. BYAM, *Director*

Recent Books Reviewed

EDITED BY ELSIE S. PARKER

Principles of Social Administration. By T. S. Simey. London, Oxford University Press, 1937. viii, 180 pp. 10s.

In the United States, where nation-wide social legislation is a recent development, this brief but penetrating study of a hundred years' experience in "social administration" in England should be of special interest. The author's purpose is "to discover, as far as possible, what principles apply to social administration in a democratic state." This is a problem of far-reaching implications, as important for American readers as for the English public to whom the book is addressed.

The major problem with which Mr. Simey is concerned is that of national and local co-operation in public welfare. But in limiting himself to this specific problem of administrative organization, he does not ignore other, and at least equally important, issues. He recognizes, for example, that no administrative machine, however well organized, can run itself without regard to personal factors. Any plan of social administration must give due consideration to the human problems of those it is designed to serve—and also to the personal element in the administration itself. The need for a competent staff all along the administrative line, for workable relationships among the various officials concerned, and for incentive and opportunity for growth on the job is repeatedly stressed.

Another and still more fundamental problem upon which Mr. Simey comments briefly is that of the place of public social service in a democracy. Summing up his own point of view, he says that democratic theory demands two things of the social services: "first, that their management shall be carried out in close association with the daily lives of ordinary people, who shall, as far as possible, be allowed to control them; and, second, that the right of self-determination, which is regarded as fundamental by the democrat, shall be preserved as far as possible."

There are certain marked distinctions be-

tween the English system and that beginning to take form in the United States. In spite of pioneer efforts like the Sheppard-Towner act and that for vocational rehabilitation, federal-state coöperation on a comprehensive and permanent basis began here only with the passage of the social security act in 1935. Then, too, the field of social administration is at present much broader in England than in the United States. Nevertheless our federal social security act—with its ten provisions covering public health, child welfare, vocational rehabilitation, public assistance, unemployment compensation and old-age insurance—has established the principle of government coöperation, and outlined a broad and, some observers believe, expanding area for its operation.

Allowing for these differences, the basic problem of social administration remains the same for the English and the American democracy—how to effect a practical compromise between the national responsibility necessary to assure equitable treatment of individuals in various communities and the local responsibility necessary to keep the program close to the people.

Commenting upon the fact that the growth of national participation is the outstanding development in recent social administration, the author points out that this development has paralleled certain broad social trends—the increasing emphasis on economic stabilization rather than on social and moral improvement as the purpose of social measures, and the change of emphasis in democratic philosophy from individual action to collective action. He also recognizes the economic pressures which have played a part in bringing national governments into the social welfare picture. The immediate cause of increasing national social legislation is ascribed, however, to the inability of local governments to cope with the complex problems of modern industrial society, and specifically to the failure, mainly for financial reasons, of particular local authorities

to provide adequate services. The author recognizes that these circumstances have made national responsibility for social administration both inevitable and imperative; and he believes that the central departments have demonstrated their capacity to provide a high degree of uniformity, technical efficiency, and economy in the administration of any service. But these advantages may, he thinks, be bought at too high a price, for he sees in the central department a tendency to value mechanization and rules and regulations above initiative and flexibility.

Like the central government, the local authority has the defects of its qualities; Mr. Simey sums these up as unevenness of service, a too ready willingness to compromise under local pressure, and limitations both of area and of financial capacity. Viewing the total problem, he concludes that "unified direction should go hand in hand with decentralized administration—decentralized to maintain contact with the persons or bodies for whose benefit a service is provided, centralized to obtain consistent policy." This distribution of authority may be attained in either of two ways, through decentralization or devolution. By decentralization the author means administration through a national agency which maintains local field offices, each with a considerable degree of autonomy. By devolution he means the delegation of authority, within the national framework, to agencies of the local governments. Both methods, he believes, are useful, the character of the program determining which is more effective. It is worth noting that our federal social security act embodies both these methods of administration—old-age insurance being federally administered through regional and field offices and all the other provisions of the act being state-administered under state plans conforming to the general standards of the federal law.

Out of this consideration of local and national problems, the author reaches the conclusion that effective local administration can only be achieved under "the general supervision of officers of the central government, equipped both in legal powers and in organization to establish the 'general line' of governmental policy through the country, to guide the local authority at all stages, to check the impetuous, to stimulate the sluggish, and to

act as a source of inspiration. This should not involve interference in details or in day-to-day administration."

The effect of national participation in social administration has, Mr. Simey believes, an important bearing upon the entire problem of local government. But, contrary to the fears of some, he views it as a strengthening rather than a weakening influence upon the local units. Social welfare is becoming a major function of government. The author argues that successful local administration in accordance with national standards in this expanding field will help to raise the general level of all local government activities. The development of sound methods of coöperation in social administration is, therefore, of paramount importance; for "the principal missing link in the chain of democratic self-government is, somewhat paradoxically, the tie between the representative local authority and the central department."

The importance of administration—as distinguished from such other aspects of democratic government as the right to vote and legislation by elected representatives—is only just beginning to be generally recognized in the United States. The city manager movement is one of the most significant of our pioneer efforts to deal effectively and non-politically with complex administrative problems. The development of state and local public welfare activities, stimulated by the social security act, is bringing with it further needs and further opportunities for strengthening the administrative functions of these levels of our government. According to Mr. Simey, the importance of these functions cannot be overestimated in a democracy.

ZILPHA C. FRANKLIN

Social Security Board

*

State Tax Yield Statistics, 1937. New York City, Tax Policy League (*Tax Policy*, Vol. V, No. 1, November-December 1937). 52 pp. \$1.00.

This study brings together for the first time detailed and up-to-date statistics on state tax yields, segregated under twenty-one classifications. Its importance to the student of taxation problems, the administrator, and those having occasion to work with taxation data cannot be over-emphasized. As is suggested in the preliminary comments by the editor,

Dr. Mabel L. Walker, secretary of the Tax Policy League, the publication of the information contained in this fifty-two page study does answer a long felt need.

The study embraces some sixty tables, a minimum of footnotes, and a concise textual summary and explanation of the procedure used in compiling the information. Data were secured on forty-seven of the forty-eight states, Idaho alone being unable to supply current information. More remarkable, and especially recommending the compilation to those who require reasonably up-to-date statistics, is the fact that for only four of the states are data older than that of the last completed fiscal year, and in only one are incomplete current data reported.

Taxes are grouped according to twenty-one classifications. These are admissions, alcoholic beverages, chain store, franchise, gasoline, gross receipts (including gross income and sales), income (net), inheritance (including estate and gift), license, motor vehicle, oleomargarine, poll, property, severance, soft drinks, special taxes on banks, special taxes on insurance companies, special taxes on utilities, stock transfer, tobacco, and miscellaneous. Data are presented for each classification by states, and detailed by states, affording a highly usable cross-reference. Summary tables are also included.

The study discloses that the combined tax yield in the forty-seven states amounted to \$2,752,955,850, with New York State leading with a tax of \$420,797,851. Pennsylvania and California, second and third respectively, each showed approximately half the yield of the empire state. The gasoline tax was the most productive, with a total yield in the forty-seven states of \$704,920,691, followed by general sales (gross receipts, etc.) at \$414,593,637, and income, motor vehicle, and property taxes in the order named. These five taxes, in fact, provided roughly 73 per cent of the total, although their importance naturally varies from state to state.

Not the least interesting and useful feature of the study is the fact that in the forty-seven tables detailing tax yields, two columns are added to show the amount of such taxes which are locally shared and the amount retained by the state. In the latter classification are included subventions to localities, but the editor expresses the hope that in another year grants, as distinct from shared taxes, may be

shown separately. Also potentially useful to many readers is a list of the officials supplying tax yield information.

There are few to whom comparative figures on state tax receipts are useful or interesting who will not find some feature of this study of value. Dr. Walker has been careful to point out the tentative nature of some of her classifications, and to indicate where data are known or suspected to be incomplete. While previous publications of the Census Bureau have contained data on the subject, the treatment does not overlap with that of this study, and the Tax Policy League's publication appears with considerable more promptness. And such other studies as have been made have been forced to rely in great measure on estimates to supplement the census figures. It is much to be hoped that the compilation may become an annual feature—although in a somewhat more substantial mounting than the present mimeographed volume.

WADE S. SMITH

*

New York City Charter. By Laurence Arnold Tanzer. New York, Clark Boardman Company, Ltd., 1937. 684 pp. \$7.50.

On January 1, 1938, the charter of the City of New York adopted in November, 1936, became effective. This charter replaces the one adopted in 1897 when the greater city was established, revised in 1901, and amended times without number since that date. The annotated edition ran over 2300 pages, and it was frankly admitted that even these pages did not contain all of the law relating to the City of New York. In view of the fact that it was necessary, in order to be sure what was the law on any subject, to start with the Dutch grants and trace all the legislation passed under them, under the provincial governments, general and special state laws, the acts of county boards of supervisors, and of the various municipal governments consolidated into New York City, and the acts of local legislation since 1897, it is obvious that any lawyer had to explore a veritable legal jungle, and there was always the question whether he had not overlooked something.

The charter revision commission deemed it highly desirable to do two things: first, draw up a new charter setting forth merely the framework of the city government, and second, have prepared an administrative code

containing all the other live law relating to the city. The administrative code has been prepared by a board of statutory consolidation and was recently enacted by the state legislature at a special session. The transition from the old charter to the new will inevitably be accompanied by some confusion and necessitate a new series of interpretations of charter provisions. The purpose of Mr. Tanzer's book is to facilitate understanding of the new charter. He has attempted to do this by making a summary and analysis of that document. The method employed is to take each function of the city government and bring together in simple, non-technical language the provisions of the charter which concern that function, interpolating relevant statements from the report of the charter revision commission which help to explain the intent of the various sections and relating them to provisions of the old charter and other laws.

The book should be of very great assistance, not only to city officials who will have to work under the new charter, but also to lawyers and others who have frequent contacts with the city government.

The book contains a brief history of the New York City charter, a review of the litigation which preceded and followed its adoption, a summary and analysis of its forty-three chapters, the text of the document

itself with numerous cross references showing the sources of its provisions and where they are discussed in the summary, together with the full text of the report of the charter revision commission, the act under which the commission operated, the codification act, the court decisions on the various attempts to prevent a referendum vote on the charter, and the decisions upholding the constitutionality of proportional representation. There is also a table of sections of the old charter with references to the corresponding sections of the new, and a voluminous index.

Even in its simplified form the new city charter covers 231 pages, while the administrative code, as submitted to the legislature, covers 2960 pages, exclusive of a schedule of laws repealed covering 390 pages. Naturally comprehension of the meaning and workings of the vast machinery of government set forth in these two documents would be no easy task even for persons with long experience in the field. Mr. Tanzer's book should be of great assistance to anyone who must familiarize himself with the working of the new charter, either as a whole or in part. The author is to be congratulated for adding another item to his already long list of valuable contributions to civic progress in New York.

GEORGE H. McCaffrey
Merchants' Association of New York

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The League's Business

Baldwin Prize Essay Contest.—*Edward F. Fasold* of Yale University is the winner of the 1937 Baldwin prize of one hundred dollars for his essay on "Simplification of Local Government in the Cincinnati Region." This award is presented annually by the National Municipal League to the student submitting the best paper on any one of a number of governmental subjects set forth by the League. It is made possible through the generosity of *Mr. Lewis H. Burnham*, in memory of *William H. Baldwin* of Philadelphia.

Honorable mention was made of the essays of *Henry H. Ginsburg*, University of Minnesota, who wrote on "The Operation of Centralized Municipal Purchasing in the Cities of St. Paul and Minneapolis"; *Edward H. H. Jasen*, Harvard University, "Nonpartisan Elections in American Local Government"; *Henry B. Director*, University of Chicago, "The Effect of the Short Ballot Movement on the Operation of Democracy in American Cities"; and *Russell M. Shepherd*, Swarthmore College, "Philadelphia's Invidious Mandamus Situation."

Roscoe C. Martin, director of the Institute of Public Administration, University of Alabama; *Murray Seasongood*, former mayor of Cincinnati; and *Howard G. Fishack*, executive director, Citizens' Advisory Finance Committee of New Jersey, acted as judges in the contest.

* * *

Portland Prize Contest.—The 1937 Portland prize of twenty-five dollars has been awarded to *Merrill Falkenhagen* for his essay, "The Teachers' Retirement Fund Association of School District No. 1, Multnomah County (Portland), Oregon: A Case Study in Pensioning Public Employees." This prize is awarded each year to the undergraduate student of Reed College, Portland, Oregon, submitting the best essay on a given subject in municipal government.

Judges in the contest were *John G. Stutz*, executive director, League of Kansas Municipalities; *Don C. Sowers*, director of extension, Bureau of Business and Governmental Research, University of Colorado, and secretary of the Colorado Municipal League; and *Roland R. Renne*, chairman of the Department of Economics and Sociology, Montana State College, University of Montana.

* * *

Consultant Service Makes Atlanta Report.—The Consultant Service of the National Municipal League, under the direction of Dr. Thomas H. Reed, has just submitted its report on "The Governments of Atlanta and Fulton County, Georgia" to the Board of Commissioners of Roads and Revenues of Fulton County, the Mayor and General Council of Atlanta, and the Atlanta Chamber of Commerce.

The report is unique in that it contains not only a complete administrative and financial survey of the city and county governments but also of the city and county school systems.

The problems of metropolitan government in Atlanta are difficult in that the city is situated in two counties—Fulton and DeKalb. Under the constitution city-county consolidation in such an instance is impossible. The report therefore makes practical suggestions toward the solution of this complicated situation by providing for the unified treatment of the problems of health, hospitals, welfare, parks, recreation, and the police and fire departments.

The report comprises 780 pages and may be obtained from the Atlanta Chamber of Commerce. Its price is five dollars.

The Consultant Service has also recently completed its survey of New Bedford, Massachusetts, which has been published by the *New Bedford Standard Times*, and of Essex County, New Jersey. The latter report has been published by the D. Appleton-Century Company, New York, under the title "Twenty Years of Government in Essex County, New Jersey." It may be secured through the League's office at two dollars.

HOWARD P. JONES, *Secretary*

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Editorial
Comment

February, 1938

Many Happy Returns!

WHEN the little city of Staunton, Virginia, decided by ordinance in January of 1908 to hire a "general manager," there was no one brash enough to predict that this was the beginning of a great movement to modernize local government. Then it was only a "novel" idea. The general manager was simply an adjunct of the old form, two-house legislative body and all—a far cry from the thorough-going council-manager charters of today.

As we celebrate the thirtieth birthday of the city manager plan, it is appropriate to recall the circumstances surrounding that birth—and to try to discern what the future holds in store.

When a leaky dam at Staunton had to be fixed and contractors were holding out for \$4,000 to do the job, Charles E. Ashburner, himself an engineer, told a friend in the city council of his plan by which it could be repaired for \$737—and it was. So when, later, Staunton decided to have a "general manager," it was not strange that Ashburner was chosen.

It might be truthfully said that the creation of the manager plan was an accident or, at least, forced by circumstances. When a committee investigating the commission form of government found that the Virginia state constitution would not permit it, Hugh C. Braxton, city council member, and Stephen Timberlake, an attorney, devised a plan which, in essence, sounds very much like

today's manager plan. The committee's report said:

Let the city council appoint as general manager some competent and suitable man and delegate to him the entire control and management of the city's executive and administrative affairs. The official thus appointed will give his entire time and attention to the various departments of the city's business, will receive an adequate salary to be prescribed by the council, and discharge in general all of the executive and administrative duties now pertaining to the city council and its various standing committees and will hold his office at the pleasure of the council.

Fortunately for the manager idea, the first man chosen for the job was worthy of being the founder of a profession. By his promotions to the managerships of larger and larger cities he blazed a trail and set high standards.

Today 465 cities and seven counties, including nineteen cities outside the United States, have the genuine or "approved" manager plan. How greatly it has affected the governments of other cities may be a matter of opinion. There are, however, 155 other cities and thirty-six counties which have some modification of the manager plan, besides countless other communities whose governments have been improved because of good examples set by the growing number of manager cities.

Long before the end of the next thirty

years the manager form of government inevitably must become the standard American form for cities and counties. This is no idle, wishful prediction. The handwriting on the wall is specific and clear. Just as "the first hundred years are the hardest" so are the first five hundred manager cities and counties the hardest to secure.

Even great cities like New York and Chicago will become manager cities in fact if not in name, for their needs as well as their populations are large. New York, through force of necessity, is having a taste under Mayor LaGuardia of what amounts to manager government. Other almost unique personalities

are, here and there, performing similar services for their own cities. What they are primarily demonstrating, however, is that an *efficiently* operated mayor-council city is about as rare as an *inefficiently* operated manager-council city.

To make the prediction come true, however, there must be one important but achievable element. There must be public understanding of the issues involved in getting and keeping good government.

It is no more possible to have good government without a continuing citizen support than it is to have bad government without continuing citizen indifference.

Emergencies and Home Rule

SIMPLY expressed, municipal home rule has come to mean the power of cities to manage their own local affairs, free from legislative interference by the passage of special laws. The subject has, of course, two aspects, the first involving a grant of *power*, the second involving *protection* from interference, once the power has been granted.

New York State has furnished an interesting example of the operation of both phases during the past fourteen years and the way they impinge, one on the other. New issues make this experience of keen interest to other sections of the country. The original intent of the drafters of the New York home rule amendment was to prevent any interference whatsoever by special legislation after the granting of sufficient power. They were disturbed, however, by the spectre of possible emergencies that could not be foreseen and finally determined upon the inclusion of a clause which permitted the passage of special laws if accompanied by an emergency message from the governor and

if passed by a two-thirds vote in both houses of the legislature.

The result has been the opposite of the intent. The legislature has been flooded each year with requests for so-called "emergency" legislation and what was intended to be a serious matter has become the most ordinary routine. Neither the governor nor the legislature gives any consideration whatever to the question as to whether an emergency, in fact, does exist.

With a constitutional convention in the offing in New York State, the proposal is being urged that the emergency clause be stricken out of the home rule provision. cursory review of the laws passed under the emergency clause indicates there have been few real emergencies and that the laws can be divided into the following main classes: (1) those in which local politicians were anxious to "pass the buck"; (2) those in which there was uncertainty as to the precise area of home rule power, and this group represents the bulk of the cases; (3) financial crises which

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Public Opinion in Our Cities

Results of recent polls indicate that the scientific measurement of public opinion will in the future have a wide usefulness in municipal affairs.

GEORGE GALLUP

Director, American Institute of Public Opinion

Two events in the elections of 1937 were of special interest to scientific observers and to every citizen connected with them. They were the reelection of Mayor LaGuardia in New York City and the election of Richard W. Reading in Detroit. One proved that the voters of the largest city in the United States know when they have an effective city administration and that they will vote to retain it, regardless of party labels. The other proved that there is a limit to the political strength of organized labor when it does not enlist the sympathy of the middle-class voter.

But aside from these political lessons, the elections of 1937 proved something about polls. They vindicated the use of the scientific measurement of public opinion in the municipal field, just as the presidential election of 1936 vindicated the scientific surveys in national affairs. As a result, scientific surveys will probably have a much wider usefulness in municipal affairs from now on.

At first glance it may seem that a municipal election involving only half a million voters, or fewer, would be a very much simpler field for opinion analysis than a nation-wide election. But it is not necessarily so. Municipal elections have often hinged on the influence of a political machine which was thrown into the equation at the last moment. Such factors have been extremely difficult to measure in advance.

In addition, the sampling problems

involved in making a scientific political survey of a large American city today are just as exacting as they would be in a survey of the forty-eight states.

Nevertheless, two scientific surveys in which the American Institute of Public Opinion undertook to predict the New York and Detroit elections came remarkably close to the actual results last November and provided experience for further researches in municipal opinion.

The Institute of Public Opinion conducted its Detroit mayoralty survey at the invitation of the *Detroit News*, one of the sixty newspapers of all political persuasions throughout the United States which have united to make the institute's studies possible. The *News* was editorially in favor of the so-called conservative candidate, Richard W. Reading, but it engaged to pay for the survey and to publish the indicated results, whatever they should be.

Reading's opponent was Judge Patrick H. O'Brien at the head of a CIO slate, who had led the AF of L's candidate in Detroit's primary elimination a few weeks before.

Although Detroit's mayoralty elections are nonpartisan and party organization does not function as such, the element of organization was introduced by the CIO, which relied on the tremendous number of unionists to bring out the O'Brien vote in Detroit's twenty-two wards.

Incidentally the election indicated the seriousness of the breach between the

CIO and the AF of L in Detroit, for the great majority of persons who voted for the AF of L candidate in the primary switched to Reading on election day instead of to the CIO-endorsed O'Brien. Before the institute began its survey the fact of this breach and its possible effect were only matters of supposition.

Certainly the CIO high command did not at first recognize the serious obstacle that this cleavage was to make for Judge O'Brien. Homer Martin, president of the United Auto Workers Union, totaled up the number of union members in Detroit, approximately 125,000, and calculated that each unionist could produce from among his relatives one and one-half other votes. On this assumption Martin got a total of 312,500 votes—an overwhelming majority.

A REPRESENTATIVE CROSS-SECTION OF OPINION

The institute's own survey consumed twelve days, from October 19th to 31st, and covered each ward in the city six times. These repeated canvasses permitted the institute to measure any possible trends or shifts up to the last minute. Those in charge of the survey found, however, that there was very little change in opinion during the fortnight before the election. On this occasion, apparently, public opinion had reached a relatively stable plateau well ahead of the actual voting.

The scientific measurement of public opinion differs sharply from traditional polls and straw votes in methodology, of course. Since the institute survey was designed to reach an approximately perfect cross-section of the voting population of Detroit, the institute could not rely on postcard ballots broadcast at random in the usual way or on coupon ballots printed in the *Detroit News*. Obviously this latter method would have given us many thousands more votes than we actually obtained, but all ex-

perience indicates that the accuracy of a survey depends on getting a thoroughly *representative* cross-section as well as on an adequate *number* of returns.

The institute conducted its survey by means of a squad of special institute field reporters. As a principal control question the reporters asked voters in every ward:

"How did you vote in the primary?"

Analysis showed that the conservative candidate, Reading, was not only polling approximately as many votes as he had polled in the primary, but that he was receiving an overwhelming majority of the votes the two unsuccessful candidates, Smith and McLeod, had originally received. Together with a better than two-to-one majority among persons who had not cast their votes in the primary, Reading was easily indicated as the winner.

Eighty-two per cent of the primary vote for the AF of L man was shifting to Reading, only 12 per cent to the CIO's O'Brien. CIO leaders found the black and white figures hard to credit. But when the election returns were complete, the survey had predicted the result within 2 per cent. The survey also forecast the winner in twenty out of Detroit's twenty-two wards.

In the New York City election the institute did not attempt a special survey, but it questioned voters on the mayoralty in the course of regular polling operations. Ballots assigned to New York City in one of the institute's national surveys included a question on LaGuardia and Mahoney. On the basis of this test the institute forecast LaGuardia's re-election and placed his probable vote at 64 per cent of the total.

This prediction, too, was borne out on election day, the institute's figure being within 4 per cent of the actual vote.

These municipal elections merely added to the evidence that the scientific

measurement of public opinion can provide a trustworthy index of public sentiment in a great majority of cases. The institute forecast the election of President Roosevelt, giving him a substantial electoral majority—forty states with 485 electoral votes. It failed to give him six additional states which he actually carried, with forty-six electoral votes. In addition to these forecasts the institute has made predictions in nine other state elections, all of which have been correct.

Out of a total of fifty-nine state and municipal forecasts, therefore, the institute has been able to indicate the result fifty-three times. No survey technique, however scientific, will be satisfactory all the time, of course; but the experience of the past four years has shown where most of the pitfalls lie. In the next ten years it is thought that the institute's surveys will be right about ninety-five times out of a hundred.

PUBLIC OPINION AND LOCAL GOVERNMENT

This evidence is not presented in a spirit of boastfulness, but merely to indicate how far the science of measuring public opinion has developed.

I do not consider that any great social good comes from being able to predict an election forty-eight hours in advance. But methods which are accurate in predicting an election are likely to be accurate as well in measuring public opinion on national, sectional, and municipal issues.

Do we know all we need to know about the trends of public opinion as they affect city government? Obviously not. This becomes an indicated field for study in the immediate future.

Are there periodic intervals of strong "reform" sentiment in the average American city? If so, how long does the cycle last?

Are more municipalities ripe for experiments with the city manager form of administration?

What is the popular reaction to city manager administration where it has been tried?

These are a few of the questions for which research can begin to offer answers. It may be that public opinion will be found far ahead of the average city politician, if it can be made articulate.

Certainly the experience of the American Institute of Public Opinion on national issues indicates that today's citizens occupy constructive, progressive positions on most matters affecting the administration of government. One or two may be mentioned.

The average United States voter is strongly in favor of the principle of the merit system in the federal civil service. The exact dimensions of public opinion on this question were, in fact, startling even to the best friends of civil service. More than a year ago the institute put its question to a cross-section of the voters:

"Should government positions, except those which have to do with important matters of policy, be given to (1) those who help put their political party in office, or (2) those who receive the highest marks in civil service examinations?"

Throughout the United States, 88 per cent of the voters reached answered "those who receive the highest marks in civil service examinations." Twelve per cent chose the alternative.

More recently we asked whether amendments to the federal constitution should be submitted to the legislatures of the states or to the voters themselves for ratification, and an overwhelming majority (82 per cent) declared they approved the principle of popular ratification.

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For Debt Service: Nothing

Kalamazoo pays its last bond and becomes the first debt-free, pay-as-you-go city of more than fifty thousand population.

DOUGLAS DOUBLEDAY
Kalamazoo, Michigan

EVERY December in Kalamazoo, Michigan, since 1918, when the municipality traded its mayor-aldermanic government for the manager-council type, the council and its city manager have devised a budget of thousands of segregated items for the next calendar year.

Always major among the budget headings, of course, has been one "debt service."

Kalamazoo's 1938 budget, however, drawn after two decades of adherence to an almost ironclad pay-as-you-go policy, contains no such heading. The last of any bonds secured by Kalamazoo's general fund were paid November 1, 1937, and the municipality advanced to a debt-free position—a distinction which is apparently unique among cities of more than fifty thousand population.

With tax collections on the upsurge, with a tax rate holding close to ten mills, Kalamazoo is serenely watching the future unroll, doubting that any emergency need can create a financial problem which an appropriation in its annual budget of current revenue will not solve.

Except for one painful year when the tax rate took a big jump—a bitter pill administered to give the municipality a forthright start toward fiscal health—Kalamazoo reached this goal without strain. While scrupulously budgeting the city share of public improvements, while paying off bonds of a period when this was never done, Kalamazoo bought equipment as needed, bought land for

parks and an airport, and built a half-million-dollar city hall.

Only twice in this period after 1918 did it resort to "installment finance"—with a very special reason each time.

What was probably Kalamazoo's greatest coup enabled by pay-as-you-go finance came off in 1931, the year the city hall was built. The budget that year bore a total of \$1,467,522, and of it \$699,436 was appropriated for capital expense, including most of the cost of the new official building. Although property values declined, regular revenues covered the budget and the tax rate stood still at eleven mills.

It looked as though Kalamazoo would become debt-free in 1934, when the final payment was due on Kalamazoo's 1912 police station bonds. These bonds, incidentally, cost the taxpayers 59 per cent of the principal in interest. The issue was \$35,000, to be retired in twenty annual payments, after a delay of two years. At 4½ per cent, the interest amounted to \$19,689.40.

But near its goal the city had to bend its pay-as-you-go plan. Facing extraordinary welfare relief needs in 1932, all Michigan taxing units at the same time had hanging over them a state constitutional amendment which would limit all levies on property to fifteen mills, exclusive of levies to service outstanding debt.¹

¹The fifteen-mill limitation, it happened, became effective, but the state supreme court ruled that cities like Kalamazoo with home-

For Kalamazoo's government, almost without debt, this peculiar threat made it seem prudent to get into debt. So \$295,000 was issued in social service bonds, to be retired in five annual installments, and it was the last payment on this issue in 1937 which took the mortgage off the city's general fund for the first time in more than forty years.

Fifty-four years ago Kalamazoo moved out of the village class debt-free. In his exaugural address, the last village president commented:

The chair takes special pleasure in announcing that only \$5,000 of the bonded indebtedness against the village remains unpaid, which sum becomes due and payable, together with interest, on the first day of October 1884.

Let us all pray in the language of the litany: "From bonded indebtedness Good Lord deliver us." I am pleased to observe that the general tone and expression of the people is most emphatically in opposition to expenditure that shall involve the necessity of issuing bonds for payment. "Cut your garments according to your cloth" and "pay as you go" are rules and adages dictated by prudence.

Roughly speaking, this advice was followed by early city administrations for nearly two decades. Roughly, because the city borrowed \$40,000 in 1896 to build a lighting plant, and it permitted an annual debt of varying size to "float."

But any vestige of this prudence was dropped during the fiscal year 1902-03, made untenable by a charter change setting up a ten-mill tax limit, which was about four mills lower than the figure averaged by Kalamazoo during its first pay-as-you-go era. This led to the municipality's darkest days, financially.

For the next ten years—Kalamazoo's

rule charters were not subject to it. When the over-all limitation was initiated for a Kalamazoo vote in 1934, the people defeated it 7,323 to 6,691.

greatest decade in point of growth—the tax rate was static at the 10-mill maximum, while every year but two the bonded debt total climbed, reaching the peak of \$798,000 in 1912-13. Other debt continued to "float," touching the top in 1909 at \$98,000.

In 1912-13 the state tax commission appeared on Kalamazoo's fiscal stage to jerk the city property value total from twenty-four to forty-six millions.

To the contemporary Kalamazoo administration this represented an opportunity to reduce the rate to six mills—continuing a burdensome load of bonds. It was at this point, however, that the floating debt was wiped out, never to recur. But every year, 1910 to 1920, Kalamazoo was to pay \$25,000 or more in interest on bonds, and in 1913-14 the interest figure passed \$35,000, which was about eight cents of every dollar outlayed.

INTEREST COSTS HIGH

Some of the bond issues had not been contrived to make it easy on the taxpayer. In addition to the \$35,000 police station mentioned, which cost an additional \$20,000 in interest, Kalamazoo in 1911 had financed a \$25,000 bridge on which the interest was to be \$13,000 by way of fifteen-year bonds delayed ten years.

The retiring mayor of 1912 had seen the light. "It must not be overlooked," he commented in his exaugural address, "that a rate of taxation may be ruinous by being too low as well as by being too high. . . . It is merely putting off the evil day."

Groups of citizens had now begun to watch experiments throughout the nation in sweeping municipal reforms. After years of missionary work, the electorate in 1917 commissioned nine men to draw a new city charter. When they brought out their document, it called for a council-manager form of government, providing that seven "com-

missioners" (as the charter termed them) be chosen at large in nonpartisan, biennial elections, and it raised the tax limitation from ten to twenty mills—all under Michigan's home rule act of 1909.

Although it was subjected to what a newspaper editorial called a "cowardly, eleventh hour attack," this charter of revolutionary change was carried 2,043 to 659 by the fraction of the warminded electorate which went to the polls in February 1918.

A MANAGER WITH NEW IDEAS

The first city commission took over in April, and for its first manager chose Harry H. Freeman,² a youthful and brilliant student of government who had served as clerk of the charter commission.

This municipal executive of the new mold had many things in mind, but he did not spring them all at once. Working with coöperative city commissions while charter opponents bided their time, he maintained a highly economical regime in 1918, 1919, and 1920, slicing expenditures below the aldermanic level, but letting the tax rate climb from 6.50 to 9.00 mills as he sought revenue almost exclusively by levy.

In other immediate financial reforms the city accounting system was revised, a purchasing bureau was established, and a policy which had permitted an annual loss in sinking funds was corrected. By the end of 1920, the amount of general bonds outstanding had been cut in half.

Facing the fiscal year of 1921 Manager Freeman decided it was time to consolidate the gains of modern government in Kalamazoo. He proposed to the commission that in 1921 it spend \$910,000, which was \$325,000 more than the year before. He proposed that

\$854,000 of this sum be raised by property taxes, a levy \$310,000 heavier than the year before, \$529,000 heavier than the last aldermanic levy. Without a bond issue, this forecast a rate higher than \$13.00 per \$1,000, whereas the Kalamazoo rate had not been above \$10.00 for nearly twenty years.

The large figure was allowing, for example, for the establishment of depreciation and reserve accounts, for \$191,000 instead of \$41,000 for general service, \$95,000 instead of \$73,000 for policing the city, \$150,000 instead of \$130,000 for fire protection, \$22,500 to house city equipment which had been standing in the weather, \$70,150 for bond retirement, \$21,875 for interest on bonds, \$75,000 for the city share of public improvements, and \$20,000 to pay the last installment on an aldermanic deficit.

"There is not a penny of waste, unnecessary outlay, or extravagance in the whole budget," Manager Freeman argued.

The commission was prepared to vote on the matter, after weeks of budget sessions, January 10, 1921. As it met that night it knew that a charter-repeal mass meeting was convening simultaneously under the leadership of former aldermen who had been secretly informed of the details of the budget. This group, opposed to any tax increase, was hastening to condemn the whole administration before it acted.

In the city hall, however, were six men not to be intimidated. Three industrialists, a physician, a college professor, and a real estate dealer—comprising all but one of the commission—supported Manager Freeman and enacted his budget of unprecedented size. The seventh, another real estate dealer, dissented, refusing to discuss the matter further, offering merely the criticism that it was "too high."

Next day a storm which was to swirl

²Mr. Freeman, who later became director of the Buffalo Bureau of Municipal Research, died two years ago.

for eight months struck municipal affairs. "Letters to the editor" were rabid enough, but by word of mouth Manager Freeman and his backers were subjected to criminal libel.

At the same commission meeting which saw a special election successfully initiated, Manager Freeman resigned effective July 1st, and later the commissioner who had sponsored him handed in his resignation.

Still in revolt when April came, the people voted 5,311 to 3,433 for a general charter revision, and 4,025 to 3,467 to have the revision take a pre-1918 form.

MANAGER PLAN SUSTAINED

By October sentiment had changed. The repealists' document, drawn by former aldermen and real estate interests, and containing a ten-mill limitation, was defeated at the polls 2,952 to 2,328. The die-hards of the repeal movement then demanded that the commission authorize a November vote on a ten-mill limitation, mayoral veto power, and election by wards, and carried their demands to the state supreme court when the commission ignored them. An unfavorable ruling from the high court prior to the regular November balloting brought an end to Kalamazoo's crisis.

Friends of the Freeman-type government dominated the new commission, and in devising a budget for 1922 they kept expenditures on the same level, but saluted the dissenters by permitting \$140,000 for badly needed storm sewers to be financed with ten-year bonds, thus allowing the tax rate to slide down to twelve mills.

From then on the road to debt freedom was comparatively smooth. The grooves which Manager Freeman had so carefully etched were followed in main, and when bond issues were proposed, the public rejected them—except for the relief issue of 1932.

Expenditures and improvements continued on the same high level, but as the early planners' ideas began to blossom, the tax rate declined. After standing at twelve mills through 1924, it dropped to eleven mills and stood there seven years. Wilting values sent it up to 11.40 in 1932, but for the last five years it has averaged 10.16—almost exactly where the opponents of the present form of government would have placed it by charter limitation, a move which would have entailed continuous bonding.

The 1938 budget, lacking debt service and relief (the local share now being levied through the county government) appropriations, will let the rate decline to about 9.50 mills.

The city managership changed hands in 1921, 1925, 1927, and 1931, but these shifts have not appeared to disrupt the basic policy which resulted in debt freedom.

Factors yet unmentioned here, of course, have participated in Kalamazoo's triumph.

Since 1918 Kalamazoo has made but minor city limits extensions, and its huge suburban area remains as a problem to be met in the near future. For another thing, the city owns a highly lucrative water utility which, after its management policies were recast in 1922, has been returning a huge profit on lowered rates. The city has a small electric utility with a policy at present of "limited commercial competition," but its profits thus far have never been diverted.

For several years the water department surplus fund has given about \$50,000 to the general fund, and for the last two years "taxes" against the city utilities for the benefit of the general fund have added about \$25,000 to city revenues.

Skilled management of funds has now obviated the necessity for borrowing to

meet expenses between January 1st, when the city year starts, and July 1st, when the taxes are payable. The general fund surplus available for applica-

tion on the next year's budget, in fact, is generally \$100,000 or more.

The way Kalamazoo paid for its new

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TABULAR FINANCIAL HISTORY, MUNICIPALITY OF KALAMAZOO

Year	Population	Property Values— Millions	Per \$1,000 Tax Rate	Expend- itures in \$1,000s	Floating Debt	General Fund Bonds March 31st
1884-85	11,937	\$ 5.5	\$ 10.00	\$ 86	None	None
1885-86		a	12.50	111	None	None
1886-87		a	11.00	107	None	None
1887-88		a	11.00	122	\$30,000	None
1888-89		a	15.00	156	34,000	None
1889-90	17,853	a	15.00	159	24,000	None
1890-91		a	14.80	179	29,000	None
1891-92		a	13.60	210	15,000	None
1892-93		a	13.60	232	26,000	None
1893-94		a	13.60	228	32,000	None
1894-95		a	13.40	226	81,000	None
1895-96		a	15.00	351	72,000	\$40,000
1896-97		a	17.00	297	65,000	40,000
1897-98		8.5	16.00	294	79,000	40,000
1898-99		a	15.40	225	32,000	40,000
1899-00	24,404	9.0	15.15	198	150	30,000
1900-01		10.8	14.00	220	10,000	30,000
1901-02		a	a	251	4,800	20,000
1902-03		a	a	250	50,000	120,000
1903-04		a	10.00	226	9,500	210,000
1904-05		a	10.00	264	8,000	330,000
1905-06		a	10.00	270	15,700	319,607
1906-07		18.0	10.00	373	12,200	440,000
1907-08		19.0	10.00	530	76,000	520,464
1908-09		19.8	10.00	545	98,300	449,193
1909-10	39,437	20.5	10.00	494	56,850	454,091
1910-11		21.6	10.00	512	55,600	503,690
1911-12		22.4	10.00	487	41,000	451,346
1912-13		24.0	10.00	466	1,500	798,116
1913-14		46.0	6.00	457	None	790,386
1914-15		46.7	6.00	462	None	784,756
1915-16		47.0	6.00	425	None	762,426
1916-17		47.6	6.00	526	None	725,896
1917-18		49.9	6.50	658	None	681,466
						General Fund Bonds Dec. 31st
1918		51.8	8.50	a	None	462,836
1919		53.6	8.50	482	None	401,686
1920	48,487	60.5	9.00	585	None	340,536
1921		63.2	13.50	910	None	279,386
1922		63.4	12.00	929	None	351,949
1923		67.3	12.00	998	None	278,012
1924		73.2	12.00	1,111	None	219,975
1925		73.6	11.00	1,160	None	169,137
1926		75.3	11.00	1,109	None	129,500
1927		78.1	11.00	1,161	None	101,250
1928		79.5	11.00	1,149	None	76,500
1929		82.0	11.00	1,180	None	51,750
1930	54,786	82.8	11.00	1,221	None	35,000
1931		81.1	11.00	1,467	None	19,250
1932		78.8	11.40	1,039	None	298,500
1933		74.1	9.50	1,095	None	237,750
1934		71.4	9.86	894	None	177,000
1935		70.0	9.12	1,066	None	118,000
1936		71.0	10.72	1,069	None	59,000
1937		73.5	10.40	1,229	None	None

*Figure not available.

Kansas City

Will Try Again

Forthcoming elections present opportunity for voters to oust the Pendergast machine from its strangle hold on the city's government.

WALTER MATSCHECK

Committee on Social Security, Social Science Research Council

IN MARCH of this year the power of Pendergast in Kansas City is to be challenged again. Whether the opposition can develop sufficient strength before the election dates to be a real threat, or will go the way of all other attempts to unseat the machine in recent years, it is too early to say. Manager plan advocates, friends of good government, and machine politicians in other cities are alike interested in Kansas City and its government. The first two groups have had to meet the argument of the "failure" of Kansas City in their campaigns for manager charters; they have long since accepted this as an uncomfortable fact to be dodged if possible, explained away or ignored if not. They now hope that Kansas City can be redeemed so that they may point to the final triumph of political principles over an apparently unbeatable political machine. The interest of the third group, on the other hand, is that a political organization can control even with the manager plan, which gives them hope that if worse comes to worst and a manager charter is forced on their cities, they too may remain in power, probably stronger than ever—even as in Kansas City.

The March election will be the fourth since the adoption of the charter in 1925, the same year, incidentally, in which Cincinnati adopted its plan. In each of the three preceding elections the Democratic organization, the "Pender-

gast machine," has won a majority of the nine seats—five, nine, and seven in 1925, 1930, and 1934, respectively. Such continuity of control and policy, often a virtue in municipal government, is sometimes cited as proof that the people are reasonably happy and satisfied with the government they have. The fact, of course, is that this is but a part truth which ignores many other factors. Discussion of a few of these may throw some light on the Kansas City situation.

In the period between 1916, when the council-manager plan was first considered in Kansas City, and 1925, when the present charter was adopted, there were at least seven elections in which the plan was an issue. In two of these constitutional amendments to make a manager charter possible were on the ballot; in two, charter commissions were elected; in one, a non-manager charter was voted on and defeated, partly because it did not provide the manager plan; and in the remaining two, manager charters were submitted. Almost continuously during these ten years there had been active agitation, programs of education, circulation of petitions, or election campaigns. By the time the present charter was ready for submission, the city was as nearly convinced as any city is ever likely to be. There was no organized opposition. The Democratic organization did not like the charter but, seeing that it was

certain to be adopted, climbed on the band wagon. The vote was favorable by four and one-half to one.

At this point the charter group made its big mistake—it did not follow through and nominate and elect an independent, nonpartisan ticket for the first council. Perhaps this was unavoidable. The public was doubtless oversold—it assumed that the war was won, that the charter would somehow automatically wipe out political spoils, cure the evils which had afflicted the city, and permit the citizens to rest secure in the belief that a good law is a substitute for citizen interest in administration. Furthermore, “anti-boss” Republicans were then in control of the city government and believed they could elect a majority of the new council. Many charterites had faith in the “anti-boss” Republicans and also thought they would win. The Democrats were not averse to trying to get control for themselves. The result was two partisan tickets.

An effort to organize an independent movement was made by a few who foresaw danger, but it failed to get support and all it could do was to endorse candidates from the Beach group or the Jaudon group, as the Republican and Democratic candidates, respectively, were known. Such scruples against the use of party labels in the nonpartisan election were forgotten in following years. The Democrats won five of the nine places, and Kansas City’s machine-dominated council-manager government was started on a career which has continued without serious challenge to the present day. Has the character and efficiency of the administration it has given since 1926 justified the hopes of those who worked so long and earnestly for the new charter?

Certainly a number of the major services have been better performed than during the previous twelve-year period. Streets have been better paved, re-

paired, and cleaned; garbage has been collected with reasonable regularity and lack of nuisance (ashes and rubbish have never been municipally collected); public health activities have improved materially; fire losses have been reduced greatly. In addition, an extensive program of public buildings and improvements has been carried out, not without mistakes and scandals but without the long delays and disputes of previous years. In these respects there have been definite gains; in others the record is mixed.

A BOSS-RIDDEN GOVERNMENT

The police department was under state control before the charter became effective and for several years thereafter. During the last few of these years decided progress had been made toward modernization and depoliticalization. Immediately after city control became effective, however, most of the improvements were discarded and the department became and has remained as politically ridden and ineffective as it usually was in the old days. Social conditions have since been a disgrace to the city, law enforcement has been excessively lax, while rackets and gang wars have put the city on the front pages of the newspapers of the country. In finance there have been advances. No longer are city records unintelligible and useful chiefly to hide the true condition. Operating budgets are balanced, though the cash balance at the end of each year has been attained by juggling funds, by keeping property assessments at prosperity peaks, by annual salary cuts for all employees of from 20 to 50 per cent for from two to four months, by paying no direct relief costs, and by other devious methods. Like the federal government, the city has found that there are new ceilings for debt, and the end is not yet. The sinking fund deficit has grown from a million and a half dollars to ten millions. Tax rates have gone up

to meet debt requirements while the real rate has gone even higher because assessments are still at the peak though property values are in the valley.

Personnel conditions are deplorable. The merit provisions of the charter have been completely ignored, as were those in the old one. An adequate salary schedule for higher positions has raised the standard of department and division heads in some instances, but underpayment of the rank and file has generally continued, aggravated by the annual cuts. Police and fire uniformed forces, for example, would be among the lowest paid in large cities even if there were no cuts. As generally under the old charter, the city service has been used to help build the political organization. The centralization of authority and the power of the city manager, however, have resulted in a better job of machine-building. Public welfare has never entered much into the consciousness of Kansas City officials since the years when the city pioneered in setting up the first department of its kind in the country. The modern conception of public welfare is as foreign to the minds of present officials as democracy is to that of Adolf Hitler.

CHARTER ASSURES SOME BENEFITS

Briefly, it may be said that Kansas City has benefited in a number of ways from the manager charter, but is worse off in others. The benefits that have come have resulted chiefly from charter requirements. They measure roughly the extent to which the charter itself could bring improvements in service despite the violation of many of its essential principles. It is worthy of note that there has never been any movement to repeal or seriously amend the charter, but only to enforce its provisions.

If it be admitted that there have been improvements in services, it is more than ever necessary to explain the causes for

the bitter denunciation to which the government has been subjected and why it is called a "failure" of the manager plan. One reason is disappointment. So much was expected and so little, relatively, has been received. As noted previously, too much faith was put in the charter alone, and the hard lesson that no form of government is a substitute for citizen interest and participation had to be learned again. Having discovered this, those who failed before and their successors can attempt now to secure the benefits which may legitimately be expected from the charter backed up by adequate citizen interest, benefits such as other cities have received. So the opponents of the machine denounce the system which has hamstrung the charter and slogan "Give the charter a chance."

But more important than disappointment is the growing realization of what the Democratic organization and its city administration have done to the city and the methods used to maintain their power. The machine has had complete control of the city for twelve years and in addition has placed its candidates in every county and judicial office except one. It has used this domination of local offices to build up its organization; appointees are active workers in the precincts and contribute on a fixed schedule to party funds. It uses its power to reward its friends with position, contracts, privileges, freedom from molestation in doubtful pursuits, tax concessions, failure to prosecute law violations, concessions of various kinds, and by all the other well known methods of political favoritism. Likewise it punishes those who too actively oppose it by its control of local taxation, inspections, and police, and by pressure of various kinds on individuals or their customers or clients, by discrimination and persecution in various forms. It is this punishment, actual or potential,

which has stifled opposition. Many citizens who are willing to forego city business or favors are afraid to incur the displeasure which might bring reprisals. So there is no effective opposition to the machine. Republicans are normally a minority and are split into numerous factions. Many coöperate with the Democratic organization, for in Kansas City, as elsewhere, the machine is actually Democratic in name only; it is a local organization interested only in its own profit and uses the name of a national party to fool the voters, many of whom might otherwise see no reason for giving it their support at the polls.

With relatively few exceptions prominent business men dare not take a stand against the organization for fear of punishment, or do not because of some business or political advantage in its continuance. The business community as a whole has been completely silenced and its various organizations seldom even protest against any action of the city, not excepting tax increases which normally arouse their fighting instincts. They and their leaders rarely undertake or promote a plan or program relating to civic affairs without first assuring themselves that it meets with the approval of the city manager. An exception occurred last year when a large group of business men did actively protest against the policy of the city manager in certain labor disputes, but that they will extend this to political opposition is too much to expect. Labor too, until recently at least, has been dominated by the organization. During the last year, however, the CIO has clashed with the administration in some cases where it believes it received unfair treatment from the police. Local and national CIO officials have recently denounced the city administration.

This growth in the strength of the machine and its use of its power to reward and punish has led to an almost

complete breakdown in civic morale. For many years the city was known for the "Kansas City spirit," an aggressive, vigorous, independent unification of forces to overcome obstacles and achieve any end sought for the betterment of the city. This is no longer in evidence. The outstanding characteristic now noticeable is hopeless resignation so far as any initiative or independence of spirit in civic affairs is concerned. As a natural complement the civic standards of the people are at a low ebb; no official shortcoming or misdeed shocks Kansas City. Actions which would arouse a storm of indignation in most other cities cannot make the front page of the newspapers in Kansas City. Civic morality is in a coma.

CITIZEN GROUPS ACTIVE

To all this there have been but two outstanding exceptions among civic organizations, two which have been continuously and consistently independent, unawed, and unafraid—the Civic Research Institute and the Citizens League. The former is a municipal research bureau which, largely through the continued financial support of one of the city's leading business men who has retained his ideals and independence, has been able to keep its research and informational work going. It takes no part in political activities whether partisan or nonpartisan, but has constantly presented factual information concerning city affairs to the public and believes that this has done much to keep charter principles and good government ideals from disappearing completely from the city and that indirectly it has helped to improve the conduct of city services. The latter organization is a small, inadequately financed group which with considerable determination and a faithful secretary has done much to keep alive the spark of hope.

No story of Kansas City's government would be complete without mention of

its city manager who to a large degree is the administration. He has a unique status, not by charter provision but because of his position as city representative of the machine and of Pendergast, and because of his own personality. A forceful, ruthless character, intolerant of all who disagree with or oppose him, without experience or training in either public or business administration, with no interest in the theory or principles of administration, contemptuous of "impractical idealists" in government, he is the dominating force in the administration. He represents the organization; his word is law. He is master, not only of operating departments, but of the council as well. He does the planning and deciding; all proposals issue from him. Citizens and associations wishing to promote a project know well that it is wise to let him suggest it and get the credit for it. The council gives legal sanction to his desires by passing the necessary ordinances. Since he does so dominate, he is the center of all attack when there is attack. But he is courageous and meets it head on, asking no quarter and giving none. Sense of humor he lacks entirely; tact, coöperativeness, ability to work with others all are absent. He is a powerful, autocratic, and, many believe, lonely and unhappy man.

Kansas City, in spite of much whistling in the dark, has not been making great progress industrially in recent years. It has failed noticeably in some respects to participate in last year's nation-wide business advances. Basically, this is due to drought conditions which have prevailed in its trade territory, but there is a growing belief that city politics, also, is in large part responsible. This is not a new idea. Informed business men have been saying privately for years that the city's greatest industrial handicap has been its city government. Instances are cited of businesses

which have left or were forced to leave the city and of others kept away by the political situation and its effects on city life and business. The new thing is that the idea is becoming widespread.

What are the prospects of a change this year? Opinions in Kansas City vary. Organization men believe that the machine cannot be beaten. Informed but inactive citizens say there is a slight chance. Workers in the newly formed Independent Voters League believe the prospects fair. There are a few recent developments which give the league cause for hope. One of the sources of the Democratic organization's strength for many years has been its control of election machinery, including the county prosecutor's office and the police. The Board of Election Commissioners is appointed by the governor of the state, who has been for years friendly to, when not a creature of, the organization. The boards have been consistently political in their viewpoint and have made no serious effort to secure fair and honest registrations and elections. The organization has been able to practice the grossest kind of fraud with little interference by the election board and none by the police or prosecutor. Registration books have been padded to an extent estimated at from 30,000 to 50,000 registrations, enough to swing almost any election. On election day the illegal registrations are voted. In addition, all the other well known methods of fraud are practiced.

ELECTION REFORM IN THE OFFING?

Three things have happened which promise to do away with much of this. First, a permanent registration law, with some defects, became effective last year. Second, the governor, elected with Pendergast support, has given several indications of independence, among them the appointment, without Pendergast endorsement, of an able and non-organization election board instructed

and pledged to clean up. Third, following the general election of 1936, charges of fraud were made in the federal district court. Federal grand jury indictments resulted and are still being brought in, the total number to the end of 1937 being 181, chiefly against precinct election officials. It is expected that many more will follow, with hopes that they will include higher-ups. Of the sixty-two persons tried to date, all have been convicted. A number appealed to the United States Circuit Court of Appeals, which, however, has reversed no case, though a few must be retried. These three changes in the election situation encourage workers in the new league to believe that the election in March will be a fair test of voting strength.

A second development which may aid the independent movement is the dispute between the city manager and business groups last year over labor difficulties. It is possible that some assistance against the organization may result even though an open revolt is improbable. A third is the growth of the CIO and its hostility to the machine. A fourth is the access of confidence and encouragement to the opposition resulting from these reverses to the machine and the accompanying growth of the belief that perhaps something can be done after all.

On the other side is the undiminished man power of the working organization of the Democratic machine, its strong

financial resources, and the lack of both in the opposition. In addition, opposing forces lack cohesion among their various elements. Whether an organization can be built, a program drafted, and a plan of procedure drawn up which can command support from business and labor, from Republicans and independent Democrats, from newspapers, and from persons with no interest other than honest and efficient government remains to be seen. The platform of the Independent Voters League has not yet been announced as this is written. Will it be a clear-cut program for nonpartisan enforcement of the charter, including merit principles in the selection of personnel, no favoritism, and no special privileges? Will it be progressive and forward looking? Or will the league compromise in the hope of catching votes and present a colorless program in an effort to please all groups? Most important, can it get candidates of sufficient strength to win support and a leader who can rally the various groups to the common cause? The obstacles are tremendous and the time is short.

A final word and a prediction: The Democratic machine in Kansas City has passed the peak of its power and is on the way out. Whether it will lose in March may be doubtful, but it cannot stand much longer the weight of accumulating resentment against its autocratic use of power for selfish ends. It cannot resist much longer the trend of the times in city government in this country.

EDITORIAL

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might be classified under (2); (4) matters having to do with intergovernmental relationships — boundaries, consolidations, etc.; (5) a few real emergencies, such as flood and fire.

It is the thought of Laurence Tanzer, well known authority in this field, that so long as the legislature can delegate power, there need be no fear of a mu-

nicipality being inadequate to any emergency. His suggestion is to pull up the anchor and cast off.

It is a proposal not merely interesting but worth serious consideration. Should New York State adopt it as a policy, it would represent a further step along the home rule road that would be watched with keen interest by officials and political scientists throughout the country.

The Merit System and the Constitution

In order to avoid "legislative tinkering" and assure permanent merit rule, the competitive principle in appointment of civil service employees should be embodied in the constitution.

H. ELIOT KAPLAN

National Civil Service Reform League

AT NO time in the last decade has so much lip service been given to the cause of the merit system as is being given today. Not since the days of Curtis, Eaton, and Schurz have we had such articulate public demand for improvement of our government service. In the last year an aroused citizenry has forced five states to join the civil service parade. Arkansas, Connecticut, Maine, Michigan, and Tennessee have put an end to the patronage pastime. Many other states and numerous cities are ready to throw off the yoke of the spoils system. The impetus given to the career service ideal by the recent report of the President's Committee on Administrative Management, and the President's own demand on the Congress to extend the merit system upward, downward, and outward, have had a salutary effect on the public consciousness.

Is this to be a march to greater heights or is this but the manifestation of another temporary revival of interest in creating a better civil service? Have the political organizations really seen light at last, or are they just playing possum, biding their time until the people have again been lulled into a false sense of achievement? If history repeats itself, the fate of Kansas will not prove an isolated phenomenon. Within three years after its adoption the Kansas law became a dead letter. So have many others. Perhaps the chances for permanency are now brighter. Maybe

a new era in public performance is upon us. Time alone can tell.

Experience has proved that the adoption of a civil service law is but the beginning of the battle. A civil service law is accepted by the political organizations with more regret and reluctance than any other legislation. Both Democratic and Republican statesmen have to give up the ancient prerogative of dispensing largess to the faithful. To entrust the life of the merit system to transitory legislators invariably controlled by the political organizations is a risky business. Some safeguard that does not strangle administration must be invoked.

In 1894 the New York State constitutional convention, under the leadership of Elihu Root, adopted what appeared at the time a rather innocuous declaration that:

Appointments and promotions in the civil service of the state, and of all the civil divisions thereof, including cities and villages, shall be made according to merit and fitness, to be ascertained, so far as practicable, by examinations, which, so far as practicable, shall be competitive.

Undoubtedly the political leaders thought this innocent appearing sentence, so persistently advocated by the reformers, would soon fall into a state of hopeless desuetude. It seemed a mere pious prayer for a new vogue in public administration, without teeth and without threat of practical application or

enforcement, a bone thrown to the "crackpots" to quiet their clamor for more serious changes in the constitution.

What a shock it was to the politicians when, in less than two years after its adoption, the New York Court of Appeals declared the provision self-executing in its effect and sweeping in its application (*McClelland vs. Roberts*, 148 N. Y. 360). The new law that was at first viewed as a joke turned out to be something real and potent after all.

After this early pronouncement of the highest state court, attempts were made to veer away from the "strict" interpretation. Although in many instances, particularly in the lower courts, exceptions to the broad principles laid down were often sought to be made—and sometimes successfully—in late years, the trend has been in the direction of stricter enforcement.

COURTS UPHOLD MERIT SYSTEM

Recently the Court of Appeals was called upon to pass judgment again on this clause of the constitution. A more liberal interpretation—that is, more generous to the political organizations—was sought by the spoilsmen. After a ten-year fight by the New York Civil Service Reform Association to place the large retinue of clerkships of the municipal courts in the competitive service, the court finally upheld the competitive examination system for such positions. Its opinion is a landmark in civil service legislation and should prove a sufficient answer to the skeptics who belittle the need of a civil service clause in the fundamental law. In *Friedman vs. Finegan*, 268 N. Y. 93, (decided June 4, 1935) the Court of Appeals in invoking the constitutional mandate for merit and fitness examinations stated:

The fundamental underlying will of the people as expressed here is that there shall be competitive examinations for all civil service appointments. Exemption is

the exception, not the rule. Whenever it is practicable to do so, the legislature and the commissions appointed by it shall provide for competitive examination. In *People ex rel McClelland vs. Roberts*, 148 N. Y. 360, this court said: "If the legislature should repeal all the statutes and regulations on the subject of appointments in the civil service, the mandate of the constitution would still remain, and would so far execute itself as to require the courts, in a proper case, to pronounce appointments made without compliance with its requirements illegal."

In discussing further the application of the competitive principle, the court stated:

These exemptions which may be made by the legislature or by the civil service commission appointed under its authority must have relation to the duties of the office and not simply to the title which is used. In other words, there must be a reasonable exercise of the power given under the constitution. With liberality in application it must be that competitive examinations are not practicable for the position or office. There must be something as indicated in the Chittenden case, in the nature of the duties which makes the service either one of confidence or else of such importance that personal selection instead of competitive examination is for the best interests of the public and the fulfillment of the particular duties. In other words, the legislature cannot act arbitrarily and exempt places from competitive examination at will. The duties must have some relationship to the exemption and the classification must be reasonable.

Difficult it is at all times to place limitations upon power, for new circumstances are always arising to extend or restrict the limitations. For the present we may say, bearing in mind the purpose which the constitution sought to accomplish and to extend the competitive examination principle wherever it can be used, that there must appear to be some fairly good reason to justify an exemption whether made by the legislature or by the commission.

In an earlier case involving the legislative exemption of so-called "confidential" appointees of the attorney-general's office employed in the fraudulent securities investigation bureau, the Court of Appeals in an opinion written by Judge Cardozo, laid down the rule thus (*Ottinger vs. State Commission*, 240 N. Y. 435):

The legislature retains the power of selection among means appropriate to the end, but choice must rest upon reason, and not upon caprice. To know the limit of the practicable, we must give heed to methods and institutions that are functioning in practice. To mark the frontier of the attainable we must find the line attained.

This view Judge Cardozo reaffirmed in *Barlow v. Berry*, 245 N. Y. 500, wherein he declared:

Discretion there is in determining the limits of the practicable. It is not, however, an uncontrolled discretion, but one subject to the teachings of experience and the supervision of the courts. The range of selection must be determined by a principle of general application unless the qualities to be preferred are so unique and extraordinary as to bid defiance to classification and call for treatment by themselves.

The real value of a similar constitutional provision in the fundamental law of the state is that it would establish the merit principle once and for all, and prevent the common practice (too often indulged in by all political parties, state and municipal legislatures) of exempting one agency or department after another from the civil service rules. Such provisions will not guarantee absolute emancipation from the spoils system (witness Ohio and Colorado), but will at least assure the people of a permanent merit rule removed from legislative tinkers.

John T. Doyle, for fifty years on the staff of the federal commission, its secretary for many years preceding his re-

tirement in 1933, and a person of encyclopædic knowledge concerning the federal service, has reluctantly though wholeheartedly come to the inevitable conclusion that a constitutional provision is essential "to provide against legislative tinkering" of the civil service laws, and believes that even the federal government "can only be saved from spoils provisions by like means."

More and more experts familiar with the legislative histories of the civil service laws have come to believe, as the *New York Times* lately put it, that "the sure and safe method is by amendment of the constitution."

In 1908 Chief Justice Charles E. Hughes, then Governor of New York, made this prophetic statement in appraising the civil service provision in the New York State constitution:

Now, we have got it embodied in the constitution of the state, we have it written by the people of the state, that appointments in the various civil divisions of the state shall be according to merit and fitness, so far as practicable, to be determined by examinations, and those examinations, so far as practicable, to be competitive. And there is no clause in the constitution since those great clauses embodying our fundamental rights were written which is of greater importance to the maintenance of high standards of administration than that clause, the full scope and meaning of which have not yet been fully determined by the courts, but are destined to be in time. It gives me particular pleasure to say that from the viewpoint of office we have nothing more important in relation to the administration of government than a system—the best that has yet been devised—of securing men of the needed capacity by competitive examination wherever such examinations are practicable. I believe in that, I thoroughly endorse it, and I hope to see it extended throughout the states of the union.

One shudders to think what the civil
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The Study of Local School Units in Ten States

Surveys under United States Office of Education paving the way for organization of more efficient and economical educational systems.

HENRY F. ALVES

United States Office of Education

ONE of the projects in which the Office of Education has been and is co-operatively interested is the study of local school units, made possible by a grant of funds from the emergency relief appropriation act of 1935. This project has been administered by and through the Office of Education in coöperation with the state departments of education in Arizona, Arkansas, California, Illinois, Kentucky, North Carolina, Ohio, Oklahoma, Pennsylvania, and Tennessee. The purpose is to study existing educational conditions with special reference to local school administration, to determine the possibilities for organizing more satisfactory schools, school attendance areas, and local units of school administration.

In the administration of this project each state, in effect, has constituted a unit of effort with the chief state school officer designating a staff member for appointment as state director and nominating one or more qualified persons for appointment by the secretary of the interior as associate and assistant directors. Although this officially appointed personnel directly assumed responsibility for the prosecution of the study program in the state in every instance, this project was considered of such significance that the chief state school officer and his staff members have shown an active interest in the work. Whenever conditions permitted, the work of this project has been carried on a state-wide basis.

In its efforts to be of every possible assistance to the states, the Office of Education suggested that circular no. 156, "Handbook of Procedures for Planning the Reorganization of Local School Units," be used as a guide in planning and prosecuting the project. Although this handbook was prepared for general use, it proved to be a valuable and essential basis for work in these ten states. Necessarily, each state made such modifications of suggested forms, plans, and procedures as would make them adaptable to its peculiar conditions.

The Office of Education has attempted to render further assistance by individual visits to the states, through group conferences, and through communications offering suggestions for studying generally and specifically factors contributing to the study. Only a few of these contributing factors can be noted:

- a. The advantages and disadvantages of legal prescriptions and/or limitations for existing organizations.
- b. The present programs of local and state support, with corresponding strengths and weaknesses of these programs as they are related to the possibilities for more satisfactory organization.
- c. The ability to finance adequately not only needed school building programs but existing as well as desirable educational offerings.

It is quite generally recognized that the organization of more satisfactory schools, school attendance areas, and local school units demands careful planning based on a thorough study of pres-

ent educational conditions, the analysis of which may be expected to help at least in pointing the way to the centralization of schools and to the reorganization of existing local school units, involving possibly the abolition of some of the present schools, the replacement of some of the present school buildings, the location of required new school buildings, and the projection of needed school programs.

It thus follows that such plans can be made only: (a) upon the basis of primary or factual data concerning the present schools and school centers and the existing local school units, and (b) upon the application of approved criteria or standards of school facilities and of school organization and administration.

When these primary data have been collected, organized, and properly analyzed in terms of desirable criteria or standards, plans for the centralization of schools and the organization of satisfactory local school units in any given area can then be quite readily formulated. Logically, as such plans progress, cognizance must be taken not only of the territory involved but of the services to be rendered and of the cost of the required school building facilities (unless present facilities are adequate), as well as the adequate financing of the educational program to be offered.

COLLECTING AND ANALYZING DATA

The data to be basically considered in this study and to be recorded by schools and existing local units refer to population; to the number and distribution of pupils by grades; to the size of school and the length of term; to the distribution of the teaching, supervisory, and administrative personnel; to the services being rendered; to the trends in assessed valuations of taxable property for school purposes, in school tax levies, in school bonded indebtedness, and in transportation; to the status of present school plant facilities; and to

the current costs as related to existing local unit organization.

One of the first steps for guidance in considering possible organization is the preparation of at least two basic maps. The first of these should show: (1) school district boundaries; (2) location of school buildings and grades actually taught in each building; (3) extent and jurisdiction of districts whose territory lies in two or more political subdivisions; (4) roads: (a) main or all-weather roads, (b) other roads, principally graded roads (those not included in main roads); (5) principal streams (especially those that divide communities), mountains, and other natural barriers, highways, bridges, etc.

The second map should show the distribution of school population by school attendance areas and by existing local units. The number of age groups representing approximately the proper ages for elementary, junior, and senior high school grades, respectively, should be noted by appropriate symbols. The ages corresponding to the three groups just referred to are generally accepted as being 6-11, 12-14, and 15-17.

Whenever possible, separate maps should be prepared to show the status of present school buildings and sites and to show transportation routing, including condition of roads.

MINIMUM STANDARDS

Although it is recognized that conditions demand variations from any selected criteria, it is necessary to set up minimum standards as to the organization, the size, and the location of schools, and as to the qualities of school buildings, as well as to services to be rendered. The following are suggestive:

(1) The organization of schools: The school system should furnish at least twelve years of instruction to all children mentally and physically capable of profiting by that amount of instruction

and should be organized on the 6-3-3, 6-6, or 8-4 basis.

(2) *Size of schools:* In order to provide adequately for the needs of society and the various individuals of the school population through a sufficiently broad and comprehensive curriculum, the schools may well be of the following minimum sizes:

Elementary schools: a desirable minimum of approximately 280 pupils and seven teachers, or an absolute minimum of about 240 pupils and six teachers.

Secondary schools: a desirable minimum of approximately three hundred pupils and ten teachers, or an absolute minimum of approximately two hundred pupils and seven teachers.

In all cases where it is practicable, larger schools than those required by the minimum standards should be established. Where the topography of the country, road conditions, and the community life of the different areas make a smaller school desirable or necessary, schools smaller than those called for by the minimum standards must of necessity be established. It should be pointed out here that some authorities in rural education look with favor on the establishment of elementary schools having only one or two teachers and two to four grades of work. Their chief interest is to form attendance areas which will have a sufficient number of pupils to constitute full teaching units and to keep the schools for small children near their homes. They hold that the formation of school units large enough to provide a complete program of education is either undesirable or unattainable in rural areas. The decision concerning such matters will have to be treated as a matter of local concern.

(3) *Location of schools:* The general topography of the country, including streams and other natural barriers, soil conditions, the present and probable

future conditions of the roads, and the existence of community lines and community activities should be considered as determining factors in the location of schools. Where the removal of the school would do too great violence to certain well established community enterprises and attitudes, a school should not be removed, although at the time it may not meet the standards of the minimum size of schools.

Schools should be located in relatively permanent centers of population. Permanency of population is to be judged not alone by the growth of population in the past but also by present factors that will probably influence the stability, growth, or decline of population in the future.

Schools should be located near the principal centers of population so as to be convenient to the maximum number of pupils affected and on the most suitable site available.

If it can be demonstrated that in the long run the abandonment of usable school houses will be more economical, the present buildings should be abandoned without regard to their condition and new buildings on new locations provided.

(4) *Transportation of pupils at public expense* should be kept at a minimum by the location of school buildings so as to permit the maximum number of children to walk to school but should be provided for all pupils who do not live within walking distance of school.

(5) *School buildings:* The school buildings should be planned from a functional point of view, i.e., they should be built with definite educational services in mind.

The building should be arranged and constructed so as to be free from fire and accident hazards. It should be properly lighted, heated, and ventilated, and so oriented as to facilitate such provisions.

The building should be equipped in such a manner as to make possible the maximum of health, safety, and instructional efficiency of both pupils and teachers.

The school site should be easily accessible, well drained, free from hazards to health and safety, free from disturbing noises, and should have ample playground facilities. There should be a minimum of one acre for each fifty pupils, and a minimum of five acres for any school having 250 or more pupils.

If by alterations or additions present school buildings can be made to meet the standards set up, then remodeling should be considered. Otherwise, new buildings located on suitable sites should be recommended.

PLANNING THE REORGANIZATION

With the aid of basic maps and with the pupil personnel and other data revealing the status of the existing school situations, the most desirable senior high school center or centers can be readily selected in the area concerned. Ordinarily there will be very little, if any, difficulty encountered in securing general agreement upon locations of large central high schools. The problem of eliminating, either partly or wholly, high school instruction in existing small schools and of eliminating small schools may be expected to involve considerable discussion. The elementary schools in the area with the proposed high school center or centers should be studied to determine, first, which schools should be retained and possibly enlarged by consolidation with others and, second, which schools should be abolished. It is apparent that the determination of these two facts is necessary before problems relating to and involving required administrative, supervisory, and instructional services, needed physical plant facilities, transportation, and the ability to meet financial responsibilities in pro-

posed local school units can be intelligently considered.

In the aforementioned or similar procedure for planning at least the tentative locations of senior, junior, and elementary school centers, a record of the lists of schools should show for each data relating to school population, the grade distribution of pupils, the number of classroom teachers, etc., for schools being retained as well as for those not being retained.

As the final plan for proposed reorganization is formulated, a map or maps should be prepared of the territory under consideration to show the boundaries of the proposed administrative units, the proposed school attendance areas, the location and the size of each proposed school building, as well as the distribution of school population and the planned bus routes.

In this study of local school units states wisely used state and county advisory committees in their evaluations of existing educational conditions in terms of the selected and approved criteria as the bases for the location of school centers and local school units. Educators, as well as laymen, residing in the area or areas studied were fully apprised of the procedures used and were given the opportunity of actively participating in the discussions involving the strengths and weaknesses of the existing as well as the proposed organizations. Following these joint discussions and considerations the state project staffs then prepared written reports revealing existing conditions and reflecting proposals. In some instances these area-wide reports, usually for counties, were reproduced (mimeographed) in considerable quantities.

Projecting needed school building programs. Dependable data must be collected relative to school sites, to provision for classroom and other room facilities, to general service systems, to par-

ticulars for classrooms, gymnasiums, auditoriums, cafeterias, etc., to reveal the adequacies and the inadequacies of present facilities.

In the effort to provide an adequate school building program, findings of the study must show where and what schools are needed, based, among factors already referred to, on the number of pupils and on the services to be offered. The room facilities needed must be determined in terms of alterations of and additions to existing buildings and of new buildings needed immediately and in the future. Since in many cases it is inadvisable and perhaps impossible to inaugurate complete reorganization, some schools, as well as some school centers, will have to be temporarily retained and consequently marked for future abandonment and probably consolidation with other schools or centers. In contrast, some schools and school centers will, of course, be readily recognized as permanent.

Any effort to predict building needs, immediate or future, must recognize, in addition to trends in general and school population, such factors as are revealed by land utilization maps and population and industrial surveys.

FINANCING THE PROPOSED PROGRAM

It must be recognized that data basically used to determine the proposed organizations must reveal not only school building needs but the estimated costs of the required building program, as well as of the proposed educational program. At the same time, the ability of the area (proposed local unit) in question to finance all requirements must be determined.

To predict the ability to finance the projected building program data must reflect the present indebtedness of school districts, the additional indebtedness required for immediate and future needs, the amount of debt that can be legally contracted, and the amount of funds

that can be raised to finance both the immediate and the future programs.

The cost per classroom or some recognized unit cost for the construction of buildings, classified according to size of buildings, type of construction, and kind of school must be made available. The amount of legal debt will have to be calculated from the assessed valuation of property in accordance with state laws governing the contracting of indebtedness for school purposes. The difference between the required debt and the legal maximum debt will reflect the amount of estimated cost of the projected building program that can be financed by the local administrative and/or taxing unit and the amount of state and/or federal funds required to supplement local funds. It is recognized, of course, that required school building facilities can be constructed on the pay-as-you-go basis.

To predict the ability of the proposed administrative units to finance the current cost of the projected educational program, including transportation, data must be made available to show: (1) number of teaching units at the elementary and secondary levels; (2) cost per such teaching unit with the corresponding estimated annual expenditures; (3) probable cost of transporting children not living within walking distance of the respective schools; and (4) anticipated income of sources and amounts.

In estimating annual expenditures some recognized and acceptable costs, such as the cost per teaching unit and per transportation unit, will be needed.

The amount of income from local sources will have to be calculated from the assessed valuations of property in accordance with the constitutional and/or statutory prescriptions and/or limitations relating to current expenses for school purposes. The income from state as well as from federal sources will logically be estimated on the basis

of existing and of other expected provisions for funds for school purposes from these sources and on the basis of existing methods for distributing such school moneys to the subdivisions of the state.

After the work of this project had been in progress about seven months a conference held in the Office of Education was attended by the chief state school officers, the state directors and associate directors of the projects in the ten states, the national advisory committee appointed by the commissioner of education, and the Office of Education project staff. This conference was considered advisable and necessary by all concerned to make definite plans for the work to be done during the remaining months of the study. The wholehearted and active interest in the states as to the possibilities of this study program is definitely indicated by the consideration of the following topics at this conference: (1) objectives of the study of local school units as related to the state program of education; (2) projected relationships of proposed local school units to the state and its existing educational subdivisions; (3) principles and procedures necessary to assure practical outcomes from the study of local school units in (a) securing public support, (b) formulating the legislative program.

In addition this conference gave due consideration to the state project reports as well as to the reports to be prepared by the Office of Education. Officially, the projects in the states closed June 30, 1937; actually, it may be expected that the work begun during the life of the project will continue in most cases for an indefinite period. Where funds permitted, state departments of education made definite assign-

ments to regular staff members for the continuation of the study program and particularly for effecting proposals that had received general approval in localities. The state project reports, when published and released, coupled with the individual county reports, are considered not only as desirable but as basic materials by states in their serious consideration of many of the pressing educational problems, a large number of which are directly or indirectly in effect the results of weaknesses in the existing organization of local school units for the support and administration of schools.

The fact that these ten states, as well as several others that were successful in securing their individual state projects, have faced the situation frankly and energetically in the search for plans and procedures pointing to the organization of more efficient and consequently more economical local school units is, to say the least, most promising. The progress that has been made to date in these states may well be considered only the beginning of the progress that may be expected during the coming years. Studies similar to those carried forward under this project are certain to receive increasing emphasis in the next few years until each state, through a study of existing educational conditions, evaluated in terms of selected criteria, has carefully formulated plans for local school organization which will be more conducive to efficiency and economy in public school operation.

EDITOR'S NOTE.—Address before Forty-third Annual Conference on Government of National Municipal League, Rochester, New York, November 18, 1937.

A New Administrative Code for New York City

Board of Statutory Consolidation completes huge task of codifying the many statutes and ordinances relating to the city's government, bringing them into line with new charter.

REUBEN A. LAZARUS

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AT A special session of the New York State legislature, called in December by Governor Lehman for the purpose, a new administrative code for the City of New York was enacted into law. The new code brings together the provisions of law regulating the details of the city administration in harmony with the city's new charter adopted in 1936 and effective January 1, 1938.

The New York City Charter Revision Commission was constituted by an act of the state legislature in 1934 to inquire into the structure of the city government and to submit a new charter to the people of the city. This charter was subsequently submitted to and approved by referendum of the city's voters on November 3, 1936. The charter, however, does not purport to embody all of the provisions of law relating to the government of the city. It provides the structural framework and is intended to set forth the organic law reflecting the scheme of government which in the judgment of the commission is best suited to present-day conditions.

The Board of Statutory Consolidation was created in July of 1936. The members of the board are the mayor, the comptroller, the president of the Board of Aldermen,¹ and the corporation counsel of the City of New York.

¹President of the council after January 1, 1938.

It was established for the purpose of continuing the work of the codification division of the Charter Revision Commission which had been brought into existence by resolution of the city's Board of Estimate and Apportionment.

Upon the adoption of the new charter it became the duty of the board to prepare an administrative code for ratification by the state legislature.

Every effort since the turn of the century to simplify the statutory sources of the City of New York has been based upon the principle of a structural charter to be followed by an administrative code. A combination of these features was prepared in connection with the ill-fated charter submitted to the legislature of 1909. The administrative code plan for New York City seems to have originated with William M. Ivins who was chairman of the New York City Charter Revision Commission of 1907.

An analogy might be drawn in describing the relationship between the administrative code and the charter as on a par with the relationship between the statutory law and the constitution of a sovereign body, wherein those provisions which were intended to be flexible and to yield to changing conditions would be subject to easy amendment, while primary grants of powers and important limitations upon abuses of power would be contained in a body of

law which would express fundamental principles and ideals of government. These would not be expected to change except over long periods of time.

The restrictions placed upon the amendment of the administrative code by the state legislature, however, despite the spirit of the home rule amendment, seem excessive, so that the objective of real local control of the code remains unattained. It is to be hoped that this may be remedied by the constitutional convention to be held this year.

IMMENSITY OF PROJECT

With the formidable task of examining all of the law relating to the government of the City of New York in prospect, it was with some misgiving that the project was launched. The immense amount of material to be examined, the unanticipated difficulties which would be encountered, the inability to foresee accurately the time within which the work could be completed, the expense attendant thereon even if the task could be accomplished, had been for many years a sufficient obstacle to any such undertaking. The magnitude of the task was self-evident and its very magnitude led many informed persons to predict that such an undertaking would require from five to fifteen years. Efforts along similar lines had already been made by the State Board of Statutory Consolidation of 1904 which did not conclude its duties until seven years had elapsed, and which did not attempt to solve any of the problems involved in examining large masses of legal material other than those of collection and restatement. In the state of New Jersey a like effort has been made and, after twelve years, at a cost of over one million dollars, the work of that commission was finally adopted. Even the mere compilation

of a digest of the special statutes affecting the municipalities now included in the Greater City of New York required eight years of research by the New York City Charter Commission of 1921.

In many respects the survey undertaken by the board was a pioneer effort going beyond any previous study. During a period of more than one and a half centuries, the laws relating to the City of New York had grown haphazardly into an overwhelming mass of statutes without system or arrangement. In this disorderly growth conflicts and inconsistencies have multiplied. No previous report had attempted to bring order out of this statutory chaos. Previous compilations were confined to the ascertainment of a single kind of information, that is, legislation of a particular class, of a general character, or of one or two of the categories included in the plan adopted for the work of the board.

It was the aim of the board to cull from the records all the information to be used ultimately in compiling a report of the sources and development of the law affecting the interests of the City of New York, and to publish a concise restatement, in the form of an administrative code, of the live law which harmonized with the New York City charter, completely annotated with adjudications wherever litigated. To accomplish that result the work of the board could not be limited to the charter or to any particular branch of local law, but of necessity entailed an exhaustive study of the whole body of general, local, and special laws affecting the city.

Past charter revisers and law codifiers appear to have approached their respective tasks in a very cautious spirit which seems to have affected their work from the beginning. Indiscrim-

inate re-enactment of existing law and the blanket continuance of all consistent law was accepted as the cautious and safe method. In that way the heavy burden of an exhaustive examination of prior legislation was avoided, but statutory disorder was promoted. City and county officials and the judges of our courts who had attempted to construe and apply the huge and conflicting mass of law by which the city is governed have a true understanding and appreciation of the immensity of this task.

The board set up four main objectives outlining the aspects of the work to be done:

(1) The collection of all law applicable to the government of the greater city; (2) the ascertainment of the part of this law which was alive; (3) the restatement of the live law so as to harmonize with the provisions of the new charter; (4) the annotation of the law restated by footnoting pertinent cases, statutory history, and references to cognate statutes and the preparation of explanatory codifiers' notes.

PERTINENT LEGAL MATERIAL

The first problem was the determination of the legal material to be collected. It may be borne in mind that at the commencement of the work by the codification division in July 1935, the new charter had not yet been drafted so that the scope of the research to be undertaken was necessarily indefinite. It was decided generally to include all legal material with relation to the government of the city. The collection of this, however, had to be so arranged as to include all legal material which might be necessary for the restatement and annotational work that was to follow.

Great difficulty was encountered in gathering together for study all of the law as now constituted, including that of the five counties included within the

city—New York, Bronx, Queens, Kings, and Richmond.

The legal material affecting the government of this city was not restricted to laws enacted by the state and local legislatures or to ordinances enacted by the former Board of Aldermen. The ancient colonial charters were carefully studied, the rules and regulations of the local administrative agencies having the force and effect of law were collected, and the cases of both local and state courts compiled. In addition, the opinions of the corporation counsel and of the attorney-general of the state were studied for the guidance that these might afford. Even the federal statutes and treaties were considered for whatever bearing they might have on the administration of the city government. These laws could not be found in any single volume or set of volumes. They were scattered throughout the length and breadth of the law.

The traditional method of individual legal research was abandoned because through years of experience, the corporation counsel and lawyers involved in litigation with the city had found the various digests and indices hopelessly inadequate. Reference books are not compiled from the point of view of segregating the law applicable to the city. Because of this the codification division proceeded to examine all of the law, page by page, as the only efficient method of assembling a complete collection of that relating to the city.

ASCERTAINMENT OF LIVE LAW

After a complete collection was made, determination of what part of this material was operative became the immediate problem. The necessity for this research was due to the fact that neither the Greater New York charter of 1897 nor that of 1901, nor any subsequent action by the legislature re-

pealed the provisions which were no longer operative within the territorial limits of the consolidated city.

The board found itself faced with a legislative heritage of 160 years of legislation applicable to a city into which more than two hundred communities had been merged. A great part of this body of law was superseded only by the fact that its subject matter was embraced in later law.

Previous legislators had neglected the problem of laws apparently alive but actually inoperative because of later inconsistent law. In the heat of legislative sessions, and more especially during the rush of the closing hours when many bills are drawn or amended, and passed, draftsmen do not have the time or facilities to indulge in the research necessary to work out a specific repeal of all prior inconsistent acts. Another factor is the element of great caution that looms large in the mind of every bill-drafter. This continuing legislative timidity has resulted in a long series of acts on the same subject, which were in whole or in part inconsistent with one another, being permitted to remain on the books. The problem created by the long continued use of the easy device of a blanket repeal of inconsistent laws is as old as the legislature. It arises to vex the courts almost daily, yet nothing has been done about it. Glaring and troublesome as such repeals are, legislative draftsmen have continued their use. Today the statutory confusion is such that the use of the conditional repealer is almost unavoidable. The board determined to assume the heavy burden of examining all prior legislation so as to ascertain the extent of such repeals affecting the laws of the city at least and to correct and bring such laws down to date and prepare a specific repeal table, including all inoperative laws. The same task

is necessary and should be done for the body of state law not treated by the board.

Particular difficulty was encountered in ascertaining the effects of provisions of the new charter on earlier provisions of law because the new charter was stated to be a structural charter intended to embrace only the fundamental law of the city. The board was greatly assisted in ascertaining the intent of its provisions by Professor Joseph D. McGoldrick, now comptroller of the city, who was a member of the Charter Revision Commission, and Professor Joseph P. Chamberlain, counsel to that commission, who worked unofficially on this problem in company with the legal staff of the board.

Another troublesome problem was the task of ascertaining the substantive content of clauses conferring powers by reference to other unspecified laws. The legislature in Albany and the local legislature in this city have repeatedly used such clauses to insure the continuation of various powers in the different officials concerned.² The constitution (article III, section 17) prohibits incorporation of law by reference but this has been observed only in the breach.

There were several thousands of such clauses collected by the board. It was found that only in a very few instances was a real transfer of power affected thereby. However, so long as such clauses remain in the law applicable to this city, all of the law, dead or alive, will have to be examined by anyone attempting to ascertain the content of each undefined power conferred by reference.

THE LEDGER

In the early stages of the work it was recognized that for the purpose of

²A graphic illustration of such a clause is found in the old charter (ch. 466, l. 1901) section 387.

restating in the administrative code the operative law relating to the City of New York, and the annotations thereof, and for the purpose of providing a record for use in the future, it would be invaluable to have a permanent record of the statutory history of all such law. The statutes and local laws represented the only type of law susceptible to the detailed recording which would indicate accurately the history of each such provision. It is only in such laws that reference may be found to earlier law which was intended to be repealed, amended, or superseded. The ancient charters, the ordinances, and the case law do not in most instances indicate the specific law intended to be repealed.

Accordingly, a device was adopted for the local laws and statutes which consisted of a ledger designed to indicate accurately and in easily understandable fashion the complete legislative history of every such law applicable to the city, including all additions, amendments, repeals, etc. It was so constructed as to be capable of expansion as further laws are enacted.

CODIFICATION

When all of the operative law of the various types enumerated above had been gathered, it became the duty of the board to organize and restate the law applicable to the city without regard to the illogical arrangement in the old charter or the code of ordinances, or the isolation of individual state statutes or local laws. These laws when originally enacted were often considered as independent entities and reflected the careless and hurried manner in which they were drafted during the turmoil of legislative sessions.

In restating the law which had been segregated for inclusion in the code the more usual problems of bill-drafting

were encountered with the additional difficulty that the organization of each draft had to conform in arrangement with the provisions of the new charter. The new charter by itself is not sufficient for an understanding of the operation of the city government. On the other hand, the administrative code by itself is scarcely understandable. Because the new charter had already become established law it was necessary to draft the code provisions so as to integrate with the provisions of the charter. The plan adopted envisaged the eventual printing of the charter and code together, the relevant code provisions following each related charter provision. Where, as in the case of pensions in the various departments, there are no charter provisions relating to a particular subject, a separate title was added to the general chapter relating to the agency involved.

In drafting, the board was faced with the necessity of rewriting thousands of provisions of law, each drawn up by a different draftsman at a different period of time, and reflecting his distinct style or lack of style. Crude bill-drafting has been the rule in the past. In thousands of instances the statutes to be codified were found to be ambiguous, redundant, tautological, inartificial, contradictory, and often ungrammatical.

The prevalence of such incompetent drafting has often evoked the criticism of the president, the governor, and the mayor. Not infrequently bills have been vetoed because loosely and inadequately drafted. When provisions of such bills are of great public interest, and for that reason escape executive disapproval, the resultant difficulties of interpretation fall upon the courts.

Nothing should be more clearly and precisely expressed than legislative enactments. It cannot be too strongly

recommended that permanent provision be made for adequate facilities to insure expert bill-drafting. Drafting of statutes improves when an official body charged with the duty of drafting bills is created. This has been done for the state legislature.

In order to avoid the confusion that would have resulted if the administrative code had not been ready for enactment prior to January 1, 1938, and to avoid inadvertent changes in substance by changes in language, it was necessary to curtail considerably the extent of redrafting, even when improvement was desirable. In most cases, however, it was possible to achieve clarity and succinctness.

Two notable illustrations of consolidation and restatement were achieved. With the coöperation of engineers and surveyors provisions were drafted which accurately portray the territorial limits of the city. The boundaries of the city had never been set forth explicitly in one law. The other outstanding instance was the drafting of provisions regulating the acquisition of real property both for the purposes of assessable improvements and capital projects. A brief comparison of the old provisions in chapters 17 and 21 of the 1901 charter with chapter 15 of the administrative code is sufficient to indicate the vast improvements effected by the legal staff.

The next problem was, of course, the determination of the nature of the laws to be included in the administrative code. A criterion for inclusion might have been adopted in accordance with the power to enact local laws. Careful consideration was given to this factor. However, the line as thus drawn is sometimes so arbitrary and so often the product of accident that such a standard could not possibly be employed as an exclusive one. For example, it is

evident that such provisions as those relating to the pension systems of the New York City employees have their proper place in the code and not in any other body of law, even though they are not within the home rule power. The final determination was made along these lines. If a law related primarily to the operation of the city government and had no appropriate place in any consolidated law it was then incorporated into the administrative code.

This determination necessitated the exclusion of the provisions relating to court and county officers within the territorial limits of the city, who for the most part were governed by the provisions of the consolidated laws or other codified acts. These provisions, since they did not relate primarily to the administration of the city government, were excluded from the administrative code without regard to their previous location in the code of ordinances, the 1901 charter, or in the consolidation act of 1882. In order not to leave such provisions in limbo, they were recommended for enactment into appropriate consolidated laws and court acts. The board recommended, in addition to the administrative code, an "omnibus bill" which was designed to incorporate such laws into their proper places. This bill was not introduced in the state legislature at the special session last December, but has been introduced at the present regular session.

A third bill, relating to such county officers as the district attorney, registers, county clerks, and public administrators, was also recommended by the board for enactment. It was designed to effectuate the same result as the omnibus bill, but in view of the political difficulties encountered in enacting laws relating to county officials within the city, it was thought that it would be unwise to combine the two.

It is to be hoped that both will be enacted by the legislature at this session, so that the original purpose of the board, to leave no provisions of the old charter, the code of ordinances, and the consolidation act of 1882 alive, will be effectuated.

A final practical difficulty which resulted from the existence of both the administrative code and the charter was the problem of integrating the two, so that they can be read as one body of law. Since the charter was not to be a part of the bill enacting the administrative code, it was necessary to devise some system of designation that would roughly indicate the relationship between all code provisions and the relevant provisions of the new charter. To accomplish this result a somewhat unique numbering system was adopted. The section numbers for the administrative code were composed of two factors separated by a dash. The factor preceding the dash was the section or chapter of the charter to which the particular code section related, for instance, section 126-1.0 of the code relates to the subject matter regulated by section 126 of the new charter. The numbers following the dash indicate the order of the code sections relating to the particular portion of the charter specified in the number preceding the dash. The .0 following each number after the dash is designated to avoid renumbering the code as new sections are added or inserted between any two sections now contained in the code. A section which the legislative body hereafter desires to insert between, for example, section 603-1.0 and section 603-2.0 would be numbered section 603-1.1. Where a provision of the code relates to a chapter of the charter generally, but not to any specific section, the number preceding the dash indicates the chapter to which it relates.

The chapter number is preceded by a letter indicating the title of the code chapter in which the provision is placed.

ANNOTATIONS

In order to assist readers of the administrative code as to the actual intent in any change of language, it is hoped that an annotated edition of the administrative code can be prepared by the board which will contain explanations in the form of codifiers' notes.

It is expected that the publication of the administrative code will contain the new charter and it is hoped to include similar notes for the new charter.

The legislative history of each provision will also be included in the annotations. Every lawyer can appreciate the usefulness of the legislative history of every provision included in the code or in the new charter. Such information is compiled in the ledger and the records which were prepared by the board.

Particular pains have been taken to compile complete references to all relevant laws which have been omitted from the administrative code. These notes will be included in an annotated edition of the charter and the code.

CONCLUSION

The board did not profess to have achieved perfection in its work. Rigid precautions were taken to make the work as nearly accurate as the margin of human error will allow. Nevertheless, it is expected that shortcomings will become apparent. Minor inaccuracies are inevitable in dealing with as great a mass of legal material as the board has considered. Every problem incident to a codification and restatement of the law relating to New York City has been considered and dealt with intelligently, within the realms of human capacity. The bills submitted were as fine and scholarly as legal re-

search could make them. It is expected that the clarification of the law will provoke substantive changes by indicating the need therefor.

In addition to the general haphazard arrangement now existing in the field of state-wide law, many references in such laws were rendered inaccurate by the adoption of the code and the repeal of the numerous special laws consolidated therein. A revision, simplification, consolidation, codification, and restatement of the laws by which the political subdivisions of the State of New York are governed cannot be too strongly urged.

Simplification of the statutory sources of New York City government is not a static problem. It is a matter for continuing vigilance. The Charter Revision Commission has recognized this by providing, in section 397 of the New York charter, the affirmative duty of the corporation counsel to continually revise and edit the law relating to the government of the city so that there will be no recurrence of the difficulty with which the board was confronted, and so that the law will remain certain and clear.

THE MERIT SYSTEM AND THE CONSTITUTION

(Continued from Page 85)

service in New York State, and particularly in New York City, would have been during the last two decades without the constitutional mandate for the merit system. We may not have a real career system established in New York as yet—there is much to improve in the way of administration—but with less than 1 per cent of the service outside of the competitive field, we have the competitive principle firmly established.

FOR DEBT SERVICE: NOTHING

(Continued from Page 76)

city hall demonstrates the financial flexibility it has achieved.

By 1930 the municipality had abandoned its cramped headquarters in the high-rent retail center, and was conducting its affairs in two old houses on a site which it had purchased (with \$58,000 of 1925's regular revenues) for a new city hall. The commission asked and obtained the electorate's permission to build a new city hall without issuing bonds or increasing taxes.

A "new city hall" item of \$475,000 was placed in the 1931 budget. Into this account went \$220,000 of surplus cash on hand, \$130,000 more from the water department surplus fund, and \$30,000 from the rental fund of the old city hall. The remainder of the appropriation, \$95,000, was in the levy, but without a tax increase. The additional cost of the structure and furnishings, about \$50,000, was handled from current revenues the following year.

The city's strategic borrowing of \$295,000 for welfare relief in 1932 kept it in a relatively favorable cash position during late depression years, even with tax delinquency reaching 24.95 per cent in 1933, an all-time high. Today, with collections exceeding the levy as depression delinquents pay up, Kalamazoo is looking toward the future without nervousness.

If there is a formula for Kalamazoo's feat in the realm of municipal finance, it may have been implied by Manager Freeman seventeen years ago in a statement to newspaper men who questioned him after six courageous representatives enacted his crucial 1921 budget.

He explained simply: "The commission felt that it was its duty to take up and dispose of various financial matters which had been sidetracked for years for the appearance of economy."

Municipal Holdback Straps

How quickly should municipal officials act in keeping up with economic changes, prompt provision for which may soon be made obsolete by new discoveries or changing needs?

WILLIAM PARR CAPES

New York State Conference of Mayors and Other Municipal Officials

MUNICIPAL government is accused of being slow and stumbling, of lagging behind private business and industry, and of being afraid to adopt new ideas. We have often heard these accusations made, particularly by business and professional men.

Anyone who knows anything about municipal government must admit that the criticisms are just to a certain degree. Comparatively few of us, however, know the reasons. That, I believe, is why so many are supercritical of our municipal administrations. This lack of knowledge also seems to be responsible for the deplorable lack of coöperation that exists between citizens and their public officials.

What is responsible for the dearth of new ideas in government? There are two reasons: first, public officials hesitate to advocate publicly new ideas for fear of being branded as radical or visionary. They do plenty of thinking and discuss ideas among themselves, but only those who are bold to risk their future public careers are willing to bring their ideas out in the open.

The second reason is that new ideas require experimentation and the field of government is not adapted to experimenting. Municipalities either lack the power to make the experiment or the cash to finance it. Taxpayers want tangible service and object to risking their tax-moneys on experiments, which may or may not result in benefits.

The public official knows these facts

and realizes that, if he disregards them, his future public career is jeopardized. If the public wants municipal government to advance more rapidly it must change radically its attitude toward officials with a vision and look upon experimentation in the municipal field with the same tolerance and approval as it does the explorations of private enterprise.

What is responsible for the slowness and hesitancy in municipal administration? The answer is found in the fact that municipal government is either affected by or subject to the influence of every new advance in science and every economic and social change. While municipal officials have had problems thrust upon them with bewildering succession, they realize they are spending other people's money and that their public service will be judged by the results of their labors. They are, therefore, compelled to advance or change slowly. Here are a few illustrations.

Air-conditioning is a comparatively new idea. Its effect on municipal service is serious and it is going to grow more serious unless engineers radically change their present air-conditioning plans and municipalities effectively regulate such systems. Air-conditioning requires a large volume of water. Not only has the municipality to provide that water but also to dispose of it. Many municipalities are, therefore, faced with the problem not only of enlarging their water systems but also

of changing their sewer systems. This new invention is costing Chicago \$3,000,000 to renovate its sewers so that the excess water can be properly disposed of. Should municipalities start now to enlarge their water supplies and systems and renovate their sewer systems or should they wait in the hope that air-conditioning engineers will find some way of reducing the amount of water used? Should they start now to enact air-conditioning codes which will compel the use of certain equipment to reduce the volume of water used? If they wait until the problem becomes acute, they will be accused of being slow and stumbling. If, however, they meet the problem now, and in the future engineers discover new methods, the officials will be accused of having been extravagant and inefficient.

With the advancement of aviation, municipalities have had to provide airports and landing fields. These cost a large amount of money both to construct and to maintain. How large should an airport be to take care of future needs and the ever-increasing size of airplanes? How should it be equipped? Should two or more municipalities combine to provide this facility? It was only a few years ago when cities were expending tax-moneys to install police and fire signal systems. Precinct stations and firehouses were scattered all over the city. Patrolmen were pounding beats in every section of the municipality. The automobile and radio have changed all this almost overnight. Police signal systems are being scrapped. Central police and fire stations are supplanting police precinct and fire district houses. Residential and outlying sections are being protected by patrolmen in prowling cars. Even the police radio systems which were acquired no longer than two years ago are being scrapped and two-way communication systems installed. Now municipal administrations are

wondering whether or not fire alarm systems may soon be discarded for some radio system.

A few years ago the larger cities were installing garbage reduction plants for the disposal of refuse. They were impressed with the idea that the revenue derived from the sale of by-products—grease and tannage—would pay most or part of the operating costs. Smaller municipalities were installing incinerators. Now municipalities are discarding reduction plants and either installing incinerators or considering new methods of disposition. A few cities are experimenting with the grinding process. If that proves successful the cost of disposal will be greatly reduced, or the expense of both collection and disposal will be eliminated. Some cities are hauling the garbage to a central point where it is ground and dumped into the sewer for treatment at the sewage disposal plant. Others are encouraging householders to install small grinding machines attached to the sink. A few others are urging householders to install house incinerators. Several municipalities are installing combined garbage and disposal plants. In these the sewage gas is used to incinerate the garbage and sewage screenings and the heat from the incinerator is utilized to heat the buildings and to warm the sewage so as to produce more gas.

OIL BURNERS VS ASH COLLECTION

Take the oil burner as another illustration. As the use of oil for heating increases, the need for municipal ash collection decreases. Many municipalities are considering the advisability of abolishing their ash-collection service. Those who favor the change argue that it is unfair for a property owner using oil for heating to help pay for the removal of ashes from his neighbor's home.

The automobile has had a tremendous effect on the administration of municipal affairs, and particularly the cost of gov-

ernment. It has scattered our population over a greater area, filling up our outlying municipal sections, increasing suburban population, and creating metropolitan districts. It has stimulated the development of undeveloped areas and created innumerable municipal problems such as planning, platting, and the installation of public improvements. It has increased fire, police, and health protection, street cleaning, street lighting, pavement construction and repair, sewerage, water supply, etc. During the boom period many cities expanded so rapidly and land speculation became so prevalent, that with the beginning of the depression, tax delinquencies increased and the municipalities found themselves with acres of vacant lots on their hands. How to collect these taxes or to dispose of the properties so that they will again be paying their share of the cost of government is a problem which most municipalities are now endeavoring to solve.

Another automobile problem is the use of the house-trailer. As one writer has well said, this has tremendous sociological implications and will if the present trend continues introduce unprecedented complexities in the way of life. If the house-trailer makes of us a migratory nation, where is the support of government and its innumerable services coming from? How are children to be educated? How are we to protect health and care for the indigent house trailerites? Should we begin now when the movement is in its infancy, or wait in the hope that the problem will not become acute?

If statisticians are correct in their assertion that the population of the United States will grow at a gradually decreasing rate and become static by 1950, municipal government and services will be greatly affected, and municipal administrations must give serious consideration to these effects in planning future improvements and services.

Changes in economic and social conditions have a very serious effect on local government. They increase or decrease revenues, as we experienced during the boom period and the depression, compel municipalities to adopt new methods of financing both public improvements and services, and seriously affect the cost of government. Unemployment relief, old-age security, unemployment insurance, hours of labor, and recreation for increased leisure time are other problems which changed economic conditions force municipal officials to solve or consider.

These are only a few of the many changing conditions and problems which municipal government is forced to meet and to solve. What is new today is obsolete tomorrow. A trend today may or may not become acute tomorrow. Government is constantly in a flux. The wisest official is he who can look farthest into the future and anticipate most accurately. In doing so he may appear to be slow and to stumble, but actually he is weighing all the facts and future possibilities in an effort to act wisely for the good of all.

HELP FOR THE LOCAL OFFICIAL

These municipal holdback straps are not so potent today in New York State as they were a few years ago. Farsighted city officials of the past, realizing the adverse circumstances under which municipal government was laboring, created an organization through which the municipalities could coöperate in solving their individual and state-wide problems. This organization, known as the New York State Conference of Mayors and Other Municipal Officials, has for the past twenty-seven years been substituting facts for guesses in municipal work. Its numerous services make it impossible for any city or village official to excuse a waste of public funds on theories and experiments which have failed in other municipalities. Not long ago one city informed us it was con-

sidering the use of a certain pavement, and asked us for the experiences of any city which had used it. Within three weeks we sent that city the experiences of a number of cities and as a result the proposal was rejected as the pavement had generally proved unsatisfactory. At the same time its services make available to city and village officials the best thoughts and efforts of American municipalities so that failures may be avoided and successes repeated.

It was not until a short time ago that municipalities of New York State could install and operate parking meters. Anticipating that the power would eventually be granted we began two years ago to gather the experiences of those southern and western cities which were experimenting with this new method of regulating parking. As soon as the governor signed the bill we began to receive requests about parking meters and were able to supply each interested city with complete information. The officials, therefore, can take such action as they desire with their eyes open. They don't have to consider the parking meter question blindly.

The conference's services also perpetuate efficient practices in New York State cities and villages. New officials especially like to make changes. If the

proposals are sound, the data we supply upon request will fortify these officials; if they are defective, our factual reports will put them on their guard. The conference is a reservoir into which the municipalities dump their problems, ideas, and experiments. If the problems have been solved by any other municipalities, the conference informs the municipality in trouble. If the problems are new and have not been solved, it arranges for studies and discussions. Experiments are watched and the results sent to the municipalities. Conservation work of this type by the coöperative efforts of New York State municipalities is gradually but effectively helping local governments to keep pace and in some departments to surpass private enterprise. It encourages and fosters experimentation in the municipal field. It speeds up administration of local affairs and eliminates much of the uncertainty in the determination of policies. And what is being done in New York State is being repeated in many other states with similar municipal organizations. Judging from what has thus far been accomplished, it is safe to predict that municipal government will progress sanely and steadily, provided the citizens have confidence in those they select to administer and coöperate with them.

PUBLIC OPINION IN OUR CITIES

(Continued from Page 71)

On the question of admitting women to jury duty—a privilege denied them in about half the forty-eight states—a majority of 69 per cent throughout the United States voted to permit women jurors to serve.

The public is not omniscient. We have found persons who do not know who the president of the United States is. We have found persons who do not know the difference between the Supreme Court and the local police court. There might be many arguments over the

wisdom of positions public opinion is taking today. But in the long run I believe that the evidence amassed by the institute during the last few years absolutely supports the assertion which Theodore Roosevelt once made:

"The majority of the *plain people* of the United States will, day in and day out, make fewer mistakes in governing themselves than any smaller group of men will make in trying to govern them."

There is every evidence that municipal management can get guidance from these voters today.

New York Fights

Syphilis

Mayor LaGuardia and his medical aids attack the social disease problem in the country's largest city with characteristic directness and vigor.

PHILIP HAMBURGER
Columbia University

LET'S get down to brass tacks about syphilis. There have been dozens of popular articles dealing with the first Wasserman test and the introduction of the syphilis germ into America. The nation has been made syphilis-conscious.

Few people know, however, what is actually being done against syphilis in the large cities. New York City, for example, has been quietly waging a winning battle against the disease. An extensive program is in force.

Today, a New Yorker who fears that he has been exposed to syphilis can go to one of many public clinics for testing and treatment. No questions are asked. He doesn't have to be on relief or go through extensive red tape. It is naturally expected that the patient cannot afford the services of a private physician. The average patient at the clinics earns fourteen dollars a week and has three dependents. New York's program is reaching those who most need help. It is worth examining in detail.

New York has more syphilis than any city in the United States. New York has done more in the past two years to fight syphilis than any city in the United States. As a result, health authorities in all parts of the country have been intently following the progress of New York's program. Although details will differ from city to city, it is generally agreed that New York has inaugurated a model municipal plan.

Dr. Thomas Parran, surgeon-general of the United States Public Health

Service, has praised New York because it did "first things first." Soon after Dr. John L. Rice became health commissioner of New York City, he turned his attention to the syphilis problem. There were few precedents. A program for fighting the disease in a city as large as New York was almost an entirely new undertaking in America. Dr. Rice realized that his problem was the problem of more than 6 per cent of the nation's population.

In order to profit by the experience of tested plans, Mayor LaGuardia authorized a commission to study and report on the methods employed in the Scandinavian countries and Great Britain. Accordingly, Dr. Rice, Dr. Parran, and a small group of medical leaders spent the summer of 1935 in Norway, Denmark, Sweden, and Great Britain.

Their findings were startling. Since 1920 syphilis had markedly declined in each of the four countries visited. It had become almost a rare disease in Scandinavia. In Sweden, for example, there were 399 cases in 1936, compared with 5,976 cases in 1919. Upstate New York, with a population almost exactly equaling that of Sweden, showed 21,984 cases under treatment in April 1935, with probably not more than one in ten of the actual cases under treatment. In the three Scandinavian countries, with a total population of 13,700,000, health authorities were notified of less than 1,600 cases in 1933.

Great progress had been made in England. Clinic admissions indicated

that syphilis prevalence was one-half of the 1920 figure.

Essentially, the Scandinavian plans called for free and universally available diagnostic and treatment services of high quality, adequate hospital facilities for infectious cases, compulsory treatment for uncoöperative cases, thorough epidemiologic services, and confidential relationships carefully maintained.

Great Britain did very little epidemiologic work, and made no provision for compulsory treatment or reporting of cases.

It was concluded that the great success achieved in the countries visited was due mainly to the provisions for adequate treatment, and the rendering non-infectious of infectious cases.

A LOCAL SURVEY

Dr. Rice was not yet ready to begin. He requested the American Social Hygiene Association to survey New York, discover the scope and nature of the problem, and existing facilities for controlling it.

Once again, the results were startling. It was estimated that 5 per cent of the total population was suffering from syphilis. The association recommended the formation of a separate bureau in the Department of Health, and estimated that an adequate program would cost at least \$500,000 a year. The association further urged a program to bring private practitioners into the front lines of the campaign. The New York Academy of Medicine, the Milbank Memorial Fund, and the New York Tuberculosis and Health Association added further data.

From all these sources the main lines of the battle were drawn. The New York City plan called for widespread popular education; diagnostic facilities where all could reach them; treatment facilities for every infected individual—private physicians treating those who could pay and the poor or indigent being treated at public expense; assistance to private

physicians treating individuals on the border between indigency and independence; follow-up for cases that have discontinued treatment without permission especially while still infectious, for discovering sources of infection, for persuading families of infected persons to submit to examination, and for instructing patients regarding the prevention of the spread of the disease.

The Bureau of Social Hygiene in the Department of Health was created in October 1935. Dr. Walter Clarke of the American Social Hygiene Association was appointed director. Under Dr. Clarke the giant program was swung into action.

In 1935 only \$180,000 was devoted to the fight against syphilis and gonorrhea. Today a total of over \$500,000 is being devoted to a complete program. Two years ago there were seven health department clinics, of which six were treatment centers. Today there are nineteen clinics under the health department, of which twelve are treatment centers. At the end of 1935 the Bureau of Social Hygiene operated forty-nine clinic sessions weekly; in 1936 there were ninety-two weekly sessions; now there are 119.

In the first nine months of 1937, compared with the first nine months of 1935 (before the bureau was organized), 87 per cent more persons were examined, 37 per cent more persons were treated for syphilis, 219 per cent more patients were treated for gonorrhea and 122 per cent more visits were made for treatment. Personnel has increased from eighty-six in 1935 to close to three hundred today.

The Department of Health names as its first objective the aiding of private practitioners in discovering, treating, and controlling syphilis among their patients. Practical aids are offered toward this end. They may be briefly described as follows:

Diagnostic Services. Laboratory ex-

aminations are performed without charge. During 1936, 345,000 specimens were tested. At the request of private physicians, blood and smear specimens are taken at each of the nineteen diagnostic centers. These centers also offer darkfield and spinal examinations. There is a consultation service for the patients of private physicians. All findings are reported directly to the referring doctor. Physicians use these clinics freely and without fear of losing their patients.

DRUGS WITHOUT CHARGE

Treatment Services. Many physicians are happy to treat patients at moderate fees if the necessary drugs are supplied. To supply this need, the Department of Health provides arsphenamines, bismuth, or mercury in amounts sufficient for one year of treatment. Private physicians are able, therefore, to attend many patients who can afford only a very small fee. This fee is often comparable to the charge in many so-called "pay clinics."

Social security funds provide the drugs. As the funds are limited, drugs are usually provided only for treatment of early syphilis, syphilis in pregnancy, and congenital syphilis. Supplies are furnished in four allotments, each sufficient for three months of continuous treatment. For statistical purposes, physicians are requested to report their cases when they ask for the drugs. They are not required to state whether or not the patient can afford to pay for the drugs. It is naturally expected that few physicians will request drugs at public expense for patients able to pay the full cost of treatment.

From August 1936, when this program was begun, to September 1937 about 215,000 treatments have been administered to about 9,000 patients, who have remained under the care of their 799 private physicians and 25 hospitals.

It is known that sufficiently sustained

treatment may render syphilis permanently non-infectious. This requires a close follow-up of lapsed cases which are still infectious. Physicians who request a follow-up have specially trained and selected nurses placed at their service by the department. During the course of the follow-up the nurse works directly under the physician.

Epidemiological Service. Basically, the epidemiology of syphilis is simply this: the most important question after a case of syphilis has been brought under treatment is, "From whom did the patient acquire the disease, and to whom may it have been transmitted?" Early syphilis, syphilis in pregnancy, and congenital syphilis provide the best opportunity for epidemiologic work. The Department of Health finds that private physicians, in the course of their daily rounds, do excellent case-finding work of this nature.

To aid the physician in finding the source of infection in the type of case mentioned above, the department has a group of specially trained physicians. Action will in no case be taken without the approval of the private physician.

During the first nine months of 1937, the epidemiological staff of five physicians, eight nurses and seventeen field investigators made 15,259 visits to 7,888 lapsed sources of infection and contacts and returned about 50 per cent of them to treatment. These five physicians also consulted with 485 private doctors concerning problems of treatment, and maintenance of treatment, of their patients.

Educational Activities. Every effort has been made to teach the public to avoid infection, and to seek competent medical advice and care if necessary. Greatest attention is paid to the instruction of infected persons.

Every person found by a physician to be suffering from syphilis or gonorrhea is given a pamphlet, provided by the

Department of Health, dealing with his infection and the protection of contacts. This is a requirement of the New York City sanitary code. Editions of the pamphlet have been prepared in several foreign languages.

EDUCATION FOR PHYSICIANS

Post-graduate work is made available to doctors, bringing to their attention the most modern methods of diagnosis and treatment. In October 1937, for example, thirty-four lectures were given to lay and professional audiences, totaling 3,075 individuals. Motion pictures and stereoptican slides were exhibited twenty-three times. Pamphlets are distributed in the hundreds of thousands and departmental exhibits attract wide attention.

The Reporting of Syphilis. Every means has been provided for the physician to report cases of syphilis to the Department of Health. In Great Britain a physician is compensated for his trouble. Here, he is considered to have rendered an important public service. In New York the reporting is made simple and convenient. The physician merely fills in the facts on a form, and mails it in a franked envelope provided by the department in coöperation with the United States Public Health Service. Although not encouraged, reporting by initials is permissible. All reports are kept strictly confidential and under lock and key at the Department of Health.

There was an increase of 27 per cent in the number of reported cases of syphilis and gonorrhea for the first nine months of 1937, compared with the corresponding period in 1936.

Hospitals. There are forty-eight clinics in voluntary hospitals in New York City. Many of these clinics are anxious to provide treatment without charge for a larger number of poor patients, and desire the Department of Health to supply them with drugs. In the case of clinics which charge low fees—fees that do not

compete with those of private physicians—the department supplies drugs to enable them to care for indigent patients. Although progress has been made, there is still a great deal of work to be done in this direction.

The sanitary code requires the maintenance of certain standards and regulates the conduct of these clinics. Adequate personnel is required. When these clinics have gone the limit in attempting to bring infectious cases under control, or to return lapsed cases to treatment, the Department of Health employs its legal authority to find the uncoöperatives and bring them under medical care.

Beds. Health Department officials feel that New York's greatest single need at present, in the fight against syphilis, is more bed accommodations for infectious cases, whether they be voluntary admissions or legal removals by order of the department. The department believes that the provision for treatment of syphilis in indigents and others who cannot afford to pay, is primarily the function of the tax-supported hospitals of the city. Facilities are still far short of the city's need. An important step was taken in 1936, when Dr. S. S. Goldwater, commissioner of hospitals, secured funds with which to compensate doctors working in the city hospital dispensaries.

The "Report of the Hospital Survey for New York City," published early in 1937, believed that "New York City should have at least two thousand beds for the hospital care of patients with syphilis and gonorrhea." Seventy of the eighty-eight hospitals were recorded, in the report, as not admitting patients with diagnosed syphilis or gonorrhea, "a number of them qualifying this statement to the effect that if venereal disease is not the primary condition the patient is admitted, or that venereal disease in a stage which is not communicable is admitted."

(Continued on Page 120)

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

Civil Service Week Celebration Marks Merit System Advance.—National civil service week, commemorating the fifty-fifth anniversary of the original federal civil service act, received nation-wide observance from January 16th to 22nd and emphasized the fact that in 1937 civil service legislation reached an all-time high mark at state and local levels, according to the Civil Service Assembly. Five states—Arkansas, Connecticut, Maine, Michigan, and Tennessee—adopted comprehensive merit system laws during the year, adding about 30,000 state employees to the civil service roster. Three counties and twenty-eight cities voted to come under civil service with several thousand municipal employees. The merit system is in operation in more than 850 governmental jurisdictions; but 1938 finds it still lacking in thirty-four state governments and thousands of local governments.

The Pendleton act passed fifty-five years ago, after the assassination of President Garfield by a disappointed office-seeker, applied only to the federal civil service and covered about 14,000 employees. This number has been extended to more than 532,000—about 63 per cent of all federal employees. Various important civil service changes, including bills seeking to put into effect recommendations of the President's Committee on Administrative Management, are now under consideration in Congress.

In the state of Georgia the senate late in 1937 passed a bill for the establishment of a state merit system, which was then referred to the house of representatives. Governor E.

D. Rivers had placed this measure second only to tax revision in his call for a special session of the legislature, saying, "I again recommend to you as a means of economizing and bringing efficiency into the government for the benefit of the three and one-quarter million people who can and never will hold state positions, but who have to pay the tax to support state employees, that we should have a merit system of employment of those who work for the state government."

Unemployment Compensation Operative in Many States.—The unemployment compensation systems of twenty-one states and the District of Columbia began paying benefits in January, and a total of thirty states will have put their systems into operation before the end of 1938. The American Public Welfare Association warns, however, that little resulting decrease can be expected in the total of relief cases.

The twenty-one states are: Alabama, Arizona, California, Connecticut, Louisiana, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Vermont, Virginia, and West Virginia. Employees covered in these states and the District of Columbia are estimated to total about twelve millions.

Workers recently laid off are the first to benefit from unemployment compensation reserves that total over \$437,000,000 for the twenty-two jurisdictions. Several factors, however, indicate need for supplementary relief for these people: (1) the time lag between layoff and payment, which includes a variable waiting period of two to four weeks, plus the lapse of a week or two before the first benefit check is received; (2)

the fact that the benefit may be so low (in some states it is only \$5 a week; the maximum is \$15) that it cannot provide for a family caught without cash reserves; (3) the unsettled business conditions that may make it impossible to restore jobs to the newly unemployed before their benefit period of from twelve to twenty weeks expires, thus necessitating a turnover to direct relief.

The experience of Wisconsin, which began paying benefits in July 1936, indicates the necessity of supplementing benefits with relief, as recently reported.

*

Delaware River Commission Opposes Federal Authority.—The second annual regional conference of the Interstate Commission on the Delaware River Basin met in Philadelphia December 10-11, and was attended by over 175 registrants, including representatives of many federal and state agencies and local authorities. Public forums were held on the Norris, Mansfield, and Rankin bills, proposing the establishment of federal authorities in the development of water resources, including power, and on the Barkley-Vinson-Lonergan proposals for control of stream pollution. At the close of the conference the members of the commission (a joint agency of the states of Delaware, New Jersey, New York, and Pennsylvania), meeting in executive session, adopted a resolution opposing the establishment of federal authorities in connection with water resources or stream pollution; recommending the adoption of the Barkley-Vinson bill without the Lonergan amendments; and favoring "the establishment of a federal planning agency with appropriate subordinate regional agencies in which the states shall have adequate representation, for the purpose of formulating and preparing coördinated programs for the development of their respective areas." A resolution was also adopted calling upon the federal government to cooperate, in an extensive financial way, with state and municipal authorities in abating the pollution of the Schuylkill River by coal culm.

*

Eight State Legislatures Meet in Regular Session.—Legislatures of eight states—Kentucky, Mississippi, Rhode Island, Massachusetts, New York, New Jersey, South Carolina, and Virginia—went into regular

session last month. The legislature of Louisiana will convene May 9th; the other states have no regular sessions in 1938. Subjects under consideration include amendments to broaden social security laws, housing authority enabling legislation, provision for interstate action on various matters, and the financing of state business from relief to salaries.

Most of the nine states have passed approved plans to take advantage of the federal social security act and the government's housing program. Virginia, however, lacks all of the provisions for participation in the federal security plan, and, together with Mississippi and sixteen other states not holding regular sessions this year, has not yet empowered municipalities to establish housing authorities and participate in the federal program. New Jersey's law requires revision since it now provides only for a state-wide housing authority. Other matters which may be laid before legislators of these states include state civil service in Kentucky, Virginia, and South Carolina; interstate action on flood control in Massachusetts; and uniform banking, insurance, and marriage and divorce legislation, in cooperation with other states, in New York.

No rush of special sessions is expected in 1938 comparable to the last "off year" for legislative meetings, 1936, when thirty-three states held forty-six such sessions. The 1937 record of special sessions totaled nineteen in fourteen states, as compared with the "normal" year 1927, when seven states held one extra session apiece.

*

People to Vote on Constitutional Amendments in Nine States in 1938.

Popular elections will be held in at least nine states this year on constitutional amendments dealing with a wide variety of subjects, according to the National Association of Secretaries of State and the Council of State Governments. The states and a partial list of proposed amendments are: Alabama—restriction of highway and motor vehicle taxes to construction and maintenance of state highways, permitting county sheriffs to succeed themselves; Florida—\$5,000 homestead exemption law, state support of public schools; Illinois—repeal of so-called double liability of bank stock owners; Maine—length-

ening residence requirement to qualify as voter; Michigan—salary increases for elective state executive officials; New Jersey—legalizing horse-racing and pari-mutuel betting (if 1938 legislature readopts); Oklahoma—retirement allowance provision for state and school employees, concerning membership of house and senate and fixing an annual salary for members of legislature; South Dakota—re-apportionment of state legislature; Wyoming—deposit of public money and payment of interest thereon at rate paid on private deposits.

The year 1937 was a lean one for direct state legislation by the people, the association's report found. Voters of only eight states were asked to submit their wishes on a total of fifty-two measures, in contrast to 1936, when they passed on 180. About one-fourth of the 1937 proposals were approved. No state voted on initiated statutes.

*

Council-Manager Plan Developments.—Little Rock, Arkansas, (81,679 population) will vote on February 14th in a special election "for home rule" or "against home rule." At the same time the voters will select a committee of seven which, if the home rule vote is favorable, is empowered to write a charter incorporating the council-manager plan as its principal feature. This committee will have two months in which to draw up such a charter. A referendum on its adoption, however, cannot be held sooner than two months after it is announced and published by the committee.

Des Moines, Iowa, (142,559) will vote on the adoption of a manager charter on February 12th. Verdun, Quebec, (62,000) recently approved a manager amendment to its charter which will be submitted to the provincial legislature for approval this month.

On January 18th Johnson City, Tennessee, (25,080) defeated a manager proposal by a vote of 614 to 532.

In Indianapolis, Indiana, the Junior Chamber of Commerce has set up a city manager plan committee.

Fort Kent and Norway, Maine, will vote at their annual town meetings to be held some time before April 1st on the adoption of council-manager charters enacted by the 1937 legislature.

The reorganization of the city council in Cincinnati, Ohio, on January 1st, following changes in its make-up produced by the November elections, resulted in the selection of James G. Stewart as mayor, succeeding Russell Wilson, who has served since 1930. This change was a victory for the anti-Charter forces, but it is not expected to endanger the manager plan as the city's form of government, although it may weaken its operation.

The council-manager plan celebrates its thirtieth anniversary this year, as it was in January 1908 that Staunton, Virginia, weary over the inefficiency of council committees in handling administrative problems, passed an ordinance authorizing the hiring of a "general manager" and delegated to him the direction of all administrative affairs.

*

Principles for Cities' Guidance in New Housing Program.—A five-point program to help cities select personnel to administer their low-cost housing programs under the 1937 United States housing act has been recommended by the Committee on Personnel Standards of the National Association of Housing Officials. At the same time the association announced that new municipal housing authorities are being established at the rate of one a week.

The committee report outlines general principles for selecting the new job-holders and suggests the duties and qualifications for the three key positions on housing authority staffs—executive director, technical director, and director of management division or housing manager.

The primary principles are stated to be: (1) positions should not be restricted to local residents, later interchange of personnel with other municipal agencies is to be encouraged; (2) positions should be filled only by persons fully qualified under strict standards and methods of examination, preferably with civil service protection; (3) major positions should be filled whenever possible by persons trained in public administration and wishing to engage in it as a career, and having special training in housing problems; (4) no differentiation between men and women of equal qualifications; (5) a college

degree should not be an absolute prerequisite for major positions, but the understanding, ability, and facility to be expected from a college graduate should be required.

It was emphasized that the functions of a housing authority should be carefully coordinated with the other functions of the municipality. The housing authority has its own specialized field of operation and should not duplicate other governmental functions: the city planning department should be called upon for selection of sites; the welfare activities and supervision of playgrounds should be taken care of by the appropriate existing agencies.

*

Codification of Ordinances Undertaken in Many Cities.—Municipal administrative codes are under preparation, modification, or complete revision in many cities, according to the American Municipal Association, and it is expected that more of such work will be undertaken during the course of the current year.

The new code for New York City, which was submitted to and approved by the state legislature as a bill of 3,350 pages, and became effective January 1st with the new charter, is the result of two years' study by a specially appointed board.¹

Among other cities considering new codes are Saginaw, Michigan, which has completed a code under its new home-rule charter, and Miami, Florida, which has a code awaiting adoption, prepared with the assistance of Public Administration Service. In Wheeling, West Virginia, the latter organization is making a study. Duluth and St. Cloud, Minnesota, are considering recommendations for revisions, the Duluth Governmental Research Bureau having urged such action in that city.

The new codes considered by the various cities differ from those formerly adopted in that they include extensive and detailed regulations of personnel service, financial procedures, and the responsibilities of officers for specific functions, the American Municipal Association points out. Small cities not

wanting to spend the money to prepare an entirely new administrative code may utilize WPA and NYA labor to analyze and organize existing ordinance material.

In Oregon ten small cities are undertaking ordinance codification with the help of the State League of Municipalities, the Bureau of Municipal Research and Service of the University of Oregon, and the WPA, which has allotted \$5,556 to the latter bureau for employment of clerical workers.

*

Emergency Unemployment Relief Placed in Permanent Departments.—New York City's department of public welfare has become much the largest in the country with the consolidation of nearly ten thousand emergency relief administration employees into the department, which now includes all forms of welfare except aid to dependent children and hospital care. By this centralization New York joins several other large American cities that have set up emergency unemployment relief under the permanent service. Cleveland and San Francisco were two of the municipalities taking similar steps within the last year, according to the International City Managers' Association. Philadelphia and St. Louis are among the few large cities that continue unemployment relief work under separate administration.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Experience with the Salary System in Texas.—Since January 1936, approximately one-third of the counties in Texas have employed the salary method of compensating county officials. Under the terms of the enabling statute which became effective on January 1, 1936, the commissioners' courts, in counties of less than 190,000 population, were directed to fix the salaries of county officers at a sum not less than the amount earned by such officer "in his official capacity for the fiscal year 1935, and not more than the maximum amount allowed such officer" under the fee-regulatory laws in force at the time the amendment was adopted. In counties having

¹In this connection see "A New Administrative Code for New York City," p. 92 of this issue.

a population in excess of 190,000, the salaries of all major county officials were fixed in the statute. In addition, the law limited the maximum salaries to be paid assistants, deputies, and clerks.

Eighty-two of the 254 counties in Texas were subject to the mandatory provisions of the amendment. For 1936 four counties took advantage of the permissive provisions of the amendment and statute and chose the salary method of compensation. One county returned to the fee system for the year 1937, but its loss was offset by the addition of another county of less than 20,000 population to the salary ranks in January 1937. Thus in 1936 and again in 1937 eighty-six counties placed their county officials on a salary basis, though few of these used their permissive authority to compensate precinct officers in the same manner.

Several months after the salary law went into effect, charges were made that this act was "breaking the backs of the counties." These complaints grew more insistent as the time for the 1937 regular session of the legislature drew near. Near the close of that session, on May 18th, the governor sent a special message to the legislature requesting that a proposed amendment, "calling for a vote of the people on restoring the fee system for the present salary system," be passed and submitted to the voters. The legislature by an almost unanimous vote passed the amendment a few hours after receiving the gubernatorial message and provided for its submission to the voters in August 1937. With a very small percentage of the voters participating in the election, the amendment was defeated.

It cannot be said that the total of salaries now being paid is much greater than the total of fees formerly retained as compensation by the present salaried officers. But the total cost of office personnel is now a direct charge against the county and is related only indirectly to the collectible fees of office, and it is reasonable to assume that this item is significant in appraising the financial condition of certain counties.

Although such factors as the state's failure to pay the maximum apportionment to county salary funds, the laxity of some officials in collecting fees, and the establishment of county responsibility for the payment of per-

sonnel must be considered in explaining the financial predicament of some counties now operating under the salary system, a more likely reason for the existing situation is the stereotyped and confused structure of county government prescribed by the constitution and statutes. The constitution alone requires a minimum of from eighteen to twenty officers for each county, with others added by statute. The overlapping of functions and the virtual independence of each officer in the performance of his duties make county administration costly and largely ineffective. The experience of Texas demonstrates that isolated "reforms" in county government, such as the abolition of the fee system, may achieve little so long as the organization and procedure of county government remain unchanged. Under present conditions the complete reconstruction of county government seems necessary before any permanent improvement in county administration can be attained.

J. ALTON BURDINE

University of Texas

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Consolidation Pays in the City and County of Denver.—If anyone is seeking an illustration of the advantages which city-county consolidation brings to an urban community, all that he needs to do is to visit Denver, Colorado, inquire closely into the administration of her unified city and county government, and talk with her business men and citizens.

The advantages are apparent in the city of Denver in many ways—in the organization of the government for administrative purposes, the generally high quality of her administration, the relatively low cost of her city government, the ease with which the voters can have a full understanding of their government, and the settled satisfaction of her people with the economical and efficient administration of local affairs in the city-county.

Analyze the budget appropriations and expenditures and it will be found that there are only two budgets, the city-county budget and the school budget. It will be found that even in the days of the depression the city-county budget was kept in balance, because with one government and one budget, real control could be exercised. Compare the personnel by departments with other cities and

it will be found generally less in numbers, because employees are used interchangeably in the departments. Examine the unified purchasing system which this centralized form of government makes possible, and the results obtained will be found to be uniformly satisfactory. One can look into the operation of her water supply system, and the business-like conduct of this function will show a self-sustaining public utility, exceptionally well managed, on a sound financial basis, and with adequate funds to permit an expansion under great engineering difficulties.

In short, this consolidated, highly centralized, but simple form of administration set up in Denver's home rule charter, has resulted in giving the city and county of Denver for a period of over twenty years, an economical, efficient and well balanced government—so satisfactory to her people that there is practically no demand for a change.

Greater Cleveland (published by the Citizens League) December 16, 1937

Pennsylvania Counties Save through Permanent Registration.—The new registration system which was extended to boroughs and townships by the 1937 legislature promises to effect a large reduction in the cost of registration service in Pennsylvania counties. An analysis of the experience in Fayette County indicates accurately the extent of the saving in that county.

Under the old system of registration, it cost the county \$13,467.65, or an average of 15.8 cents each to enroll the 84,979 electors registered in 1936. Under the new system, the estimated cost of registering each voter will be reduced to 8.3 cents over a ten-year period, with further material reductions after the original cost of equipment has been entirely written off.

Your Dollar's Worth (published by Pennsylvania Economy League, Inc.) December 1937

New Jersey Taxpayers Favor County Managers.—The New Jersey Taxpayers Association has recommended to the citizens of the state's cities and counties that they make a thorough investigation of all forms of local government to the end that efficient and economical administration shall be obtained. It also goes on record as favoring

legislation which will permit the adoption of a county manager form of government, and therefore recommends the revival and passage of Senate Bill 97 of the 1936 legislature.

Los Angeles County Pleased with Budget and Research Department.

The Department of Budget and Research of the county of Los Angeles was created by an ordinance of the board of supervisors which became effective on July 29, 1936. Prior to this time the director of the department and the staff were members of the Los Angeles County Bureau of Efficiency, which was set up by the charter and had been in operation since 1930. The new department was set up separately from the Bureau of Efficiency because in six years the work had become more and more of a fiscal and research nature and thus farther removed from matters of personnel efficiency.

For the first year that the Department of Budget and Research has been in operation as a separate department, directly responsible to the board of supervisors, three times as much work has been performed as during the twelve-months period immediately preceding the change. The number of reports has increased from 350 completed during the last year served under the Bureau of Efficiency to 958 assignments completed the past year. The work of the department in connection with the county budget has also been greatly improved.

The department has been rearranged into three divisions, namely, the budget division, the division of systems and procedures, and the division of administrative research.

Civic Affairs (published by the University of Southern California) December 1937

TAXATION AND FINANCE

Edited by Wade S. Smith

Expenditure Control.—Rigid tax rate limitations have been the subject of periodic and generally unfavorable comment in this column, although not without occasional remonstrances from rate-limit proponents. Our position has been—and is—that tax rate limitations strict enough to actually limit are

either indiscriminately destructive of important governmental services or are accompanied by unsound fiscal practices, and that at best the rate limit is an indirect way of arriving at a result which can much better be approached directly. From the standpoint of intelligent expenditure control, the tax rate limit is showing up more and more as a failure.

Of all the tax rate limitations adopted as a result of depression legislation, that of the state of Indiana is probably the most defensible. Although liberalized last year by an upward revision of the maximum rates, the saving grace of the tax limit law is the fact that Indiana provides for popular hearings on local budgets held under state supervision. The plan has very solid support in the state, and is considered by many elsewhere in the country to represent the most workable of the limitation laws. Yet local governmental expenditures in Indiana, as measured by annual tax levies, have followed the nationally upward trend since 1935. Further, such reductions as have been made appear to arise not from the rate limit but from the provisions for budget hearings.

The general property tax for local government in Indiana for 1938 will be approximately \$100,108,000, according to figures recently released by the Indiana Taxpayers Association. This is a figure \$2,308,000 over the 1937 total and \$3,775,000 over that for 1936. Advertised budgets, however, were approximately \$112,000,000, reduced \$10,500,000 as a result of local action and nearly \$1,000,000 more as the result of action before the State Board of Tax Commissioners. Levies are up a total of \$5,593,000 in thirty-six counties and \$3,286,000 lower in fifty-six counties as finally fixed. The increases occur in the face of \$4,000,000 of state gross income tax money distributed for school aid.

In the face of such a record, can the Indiana plan be called successful? From the standpoint of the rigid tax rate limitationist, probably not. Obviously, the upper rate limit is not seriously restrictive. From the standpoint of expenditure control, however, the results do not seem so bad. Allowing for the lack of detailed information as to just what items represent the increases and what the decreases, it is evident that the local units in more than two-thirds of the coun-

ties had their expenditures reduced under the law's provisions. Moreover, reductions from the original budgets were more than 10 per cent of the total local levies—a not inconsiderable accomplishment for protesting taxpayers on a state-wide basis. Thus, even though the rate limitation part of the Indiana plan is more or less of a flop, the budget control provisions seem to work fairly well.

But would the Indiana taxpayer be better off under a rigid tax rate law which really limited? This department thinks not. Indiana local units have never been notoriously extravagant, judged by nation-wide standards, and the current upward trend of taxes there appears to conform pretty closely to the generally observed resumption of pre-depression activities. A low, "limiting" limit might do more harm than good—as it has in the case of West Virginia. The Indiana taxpayer, however, would clearly be just as well off if his tax rate limit were scrapped and he relied solely upon the budget control provisions in the law—this is where the teeth are anyway.

Perhaps some who find tax rate limits attractive will be moved to protest that the Indiana situation indicates clearly the desirability of rigid and controlling rate limits, since some increases occurred under the rate-limit plus budget control plan. For answer to this view, it is only necessary to turn to West Virginia, horrendous example of rate-limit disaster.

In contrast to the orderly—although perhaps moderate—reductions in Indiana budgets as finally adopted, West Virginia cities show sharp and general cuts to an admittedly penurious level. Reductions through the state averaged 46 per cent—attractive to the reader of the tax bill but ultimately of little real benefit to the property owner. Even such essentials to property preservation as fire and police protection have been reduced 30 per cent and 25 per cent respectively, while such essential but less basic services as sewers and street repairs have been cut 70 per cent to 80 per cent. Here is the type of lack of discrimination which characterizes the tax rate limit when at its worst; it seems unlikely that the tax saving to property can compensate for the ultimate and inevitable decline in property values under such a system.

Of course, not all states with tax rate limits have had either the relatively favorable

results of Indiana or disaster on such a scale as characterizes the majority of West Virginia units. These are the states in which tax rate limits, while actually holding taxes to an upper ceiling, have not seriously restricted the bulk of local expenditures because of various budgetary adjustments. Ohio and Washington offer startling evidence of the introduction of essentially unsound fiscal practices in an effort to maintain an untenable position. In both states deficiency financing has been the rule—the plight of Cleveland was discussed in these columns two months ago, while the mounting current deficiency of Seattle was noted earlier.

In every tax rate limited state there appear to be some cities which manage to get along without any evident embarrassment. They manage to maintain services at an adequate level, without exceeding the tax rate limit or weakening their financial position by deficiency financing. How is it done? In about nine cases out of ten it is done by real honest-to-goodness expenditure control—the kind summed up in carefully prepared budgets, revised at public hearings, and executed by competent administrators using approved budget-control techniques. Tax rate limits don't affect them, and tax rate limit proponents usually cite such cities as evidence of the need of a fiscal straight-jacket for less economical units. But what the high-tax cities usually need is a fiscal and administrative house-cleaning and more intelligent and vigilant citizen supervision. The fact that in 1937 more laws for budget and accounting control were enacted, while there were no additions to the tax rate limit states, seems to indicate that the man on the paying end of the tax bill is recognizing just what constitutes expenditure control.

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Personalty Assessments Up.—No nationwide analysis of assessed valuations for 1938 is available, but observations on scattered data show general rises this year with increases most pronounced in the assessed valuation of personal property. In some units personalty valuations are near or in excess of the recent peaks, a trend reflecting largely the effort of assessors to hold total valuations up or show rises in the rolls without boosting realty unduly. In many places—Cook County and Chicago perhaps most conspicuously—

the personalty increases have been made by assessing officials using the federal income tax returns made available for this purpose by congressional action last year. Personalty taxes are generally considered the weakest item in the municipal revenue system—they are generally hard to collect, difficult to realize on when delinquent, and admittedly assessed inequitably when compared with other property under most laws. The current trend is therefore unfortunate, but indicates again the narrowness of the revenue base upon which local government depends.

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Miami, Florida, leads off in memorializing its congressmen to oppose any efforts to make municipal bonds taxable by the federal government. Comptroller Tremaine of New York State figures that the increased interest rates to cities under such a scheme would exceed the gain in revenue to the federal government by nearly thirty million dollars.

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Rhode Island's proposed personal income tax would have to gross \$6,000,000 for Providence's share under the proposed allocation plan to equal the present intangible levy which it would supplant, the Providence Governmental Research Bureau estimates. The state advisory tax commission estimates that the actual receipts would be about \$2,400,000 of which \$1,200,000—or nearly as much as Providence's 1938 intangibles tax—would go to the municipalities.

*

Proposal to exempt all homesteads from taxation up to first \$5,000 of valuation has recently been introduced in Congress. There is little likelihood of its enactment, but it shows the homestead-exemption wind is still blowing.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

Fusion Organizes the New York Council.—A coalition consisting of five American Labor Party councilmen, three Republicans, three independents elected with City Fusion designation, and two insurgent Democrats, together with Newbold Morris, Fusion president of the council, has organized New York

City's first P. R. council over the determined and noisy opposition of thirteen organization Democrats.

The Democratic organization has had top-heavy majorities for many years in the board of aldermen, which the council replaces—sixty-two out of sixty-five in the last board—and for some reason assumed that it could proceed with its usual domination although it no longer had a majority of the members. Since the new charter gives President Morris a vote in case of a tie, the coalition has a clear majority of fourteen votes out of twenty-seven. The Democrats, however, took advantage of the absence of one of the Labor councilmen at the first meeting to effect what they claimed was a permanent organization of the council, which the council president and the Fusion members refused to recognize. With parliamentary manoeuvres and appeals to the courts they opposed every attempt of the majority to assume control when the absent member returned and kept the council in a turmoil for several meetings. Some issues are still in the courts, but there seems little doubt now that in the end the majority will be completely victorious.

James A. Burke, former Democratic assemblyman and alderman, elected at the head of the poll in Queens without party designation of any kind, was elected vice-chairman

of the council by the coalition; and B. Charney Vladeck of Manhattan, manager of the *Jewish Daily Forward* and leader of the American Labor Party delegation, was made majority leader. Former Alderman John B. Cashmore of Brooklyn is the Democratic minority leader.

Council rules have been drawn up which will avoid future deadlocks by allowing the president to vote whenever there are thirteen votes for a proposal and thirteen negative, absent, or unrecorded, and will avoid temporary seizures of power when a member is absent by requiring fourteen votes for all important actions.

It thus appears that the council will have an actual working majority in sympathy with Mayor LaGuardia and his Fusion administration. Since some of the Democratic members are men of recognized intelligence and understanding of public problems, it is expected that they will not continue their obstructionist tactics on most matters of legislation and that a more coöperative spirit will develop after all matters of organization are disposed of.

Legislative matters of the first importance have already been brought forward. Mrs. Genevieve B. Earle, Fusion member from Brooklyn and a member of the recent charter revision commission, has introduced the Citi-

P. R. COUNCIL ELECTION, NOVEMBER 1937

Party	First-Choice Votes	Final Votes ¹	Members Elected
Democratic	619,232 (31%)	760,442 (47%)	13 (50%)
American Labor	238,191 (12%)	375,000 (23%)	5 (19%)
City Fusion	224,438 (11%)	187,306 (12%)	3 (11½%)
Republican	178,311 (9%)	163,164 (10%)	3 (11½%)
Insurgent Democrats ²	92,581 (5%)	129,125 (8%)	2 (8%)
Communist ³	74,146 (4%)		0
Socialist ³	29,232 (1%)		0
Others ⁴	556,970 (27%)		0
	2,013,101	1,615,037	26

¹The votes which were credited to the twenty-six elected councilmen after all the transfers had been completed.

²The Roe Democratic faction in Queens, which has lined up with Fusion in the organization of the council.

³Neither of these parties approached the quota in any borough except Brooklyn, where one Communist and one Socialist were among the last candidates defeated. A large part of the Communist and Socialist votes were transferred to Labor candidates and helped to elect them.

⁴These independent candidates did not run together as a ticket. A large part of their votes were transferred to next choices for members of other groups and helped to elect them.

zens Union program of county government reorganization which President Morris sponsored vigorously but vainly in the old board of aldermen. Ambitious housing programs have been brought forward by Majority Leader Vladeck, who was until his election a member of the city housing authority, and by Howard H. Spellman, a new Democratic member from Manhattan. Fusion members have proposed investigations of the city's milk supply and of city pension systems. In all such matters there is a real prospect of constructive action which was usually totally lacking in the board of aldermen.

The Fusion majority of the council corresponds to an actual majority of the voters. Because six of the Fusion members—the five Labor men and Vice-Chairman Burke—were elected with full quotas of 75,000 each, while only two of the Democratic organization members reached the quota, the thirteen Fusion members represent more voters than do their thirteen opponents. Furthermore, the scattered Fusion forces in the election, though they fared much better under P. R. than they could have under any other method, wasted many more of their votes by marking insufficient choices than did the regular Democrats. The table on page 116 will bring out these facts and supplement the analysis of the election given in this department last month.

There was an error of 300 votes in two of the tables published in last month's analysis. The total number of effective votes cast in the election of New York City Assemblymen last fall should have been given as 1,016,532 and the total number of valid votes as 1,937,788.

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Yonkers to Try Again.—Encouraged by their showing at the election last fall, when their P. R.-manager plan charter amendment was defeated by the narrow margin of 19,312 to 17,639, the Yonkers City Manager League has launched a campaign to bring the question to a vote again next November. The proposal will be slightly changed to eliminate non-essential provisions to which exception was taken last fall and to provide that the first city manager shall be chosen by the first council elected by P. R. instead of by the council in office when the amendment is adopted. Meanwhile a city charter commis-

sion appointed by Mayor Joseph F. Loehr is including P. R. among the subjects to which it is giving careful study.

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The P. R. League's Annual Meeting.¹—

The annual meeting of the Proportional Representation League was held on November 20, 1937, at Rochester, New York. As in previous years the League met in conjunction with the annual conference on government of the National Municipal League. Two sessions, morning and luncheon, were assigned the subject, "The Problem of Representation in Government."

Professor A. R. Hatton of Northwestern University, president of the League, presided over the morning session, at which a brief business meeting was held. Henry Bentley of Cincinnati, Richard S. Childs of New York, Paul H. Douglas of Chicago, A. R. Hatton of Evanston, Illinois, C. G. Hoag of Haverford, Pennsylvania, J. Henry Scattergood of Villa Nova, Pennsylvania, and Thomas Raeburn White of Philadelphia were re-elected as trustees for the ensuing year. Since George Hallett, secretary of the League, was absent because of his duties as a supervisor of the P. R. count in Manhattan and therefore unable to make his usual report, the president called attention to the P. R. section of the annual report of the National Municipal League, in which the year's accomplishments were set forth.

No further business being necessary, the rest of the morning was devoted to a discussion of the topic of the day. Mayor Roy C. Start of Toledo, Mrs. Sophia A. Olmsted of New York City, and Walter J. Millard of Cincinnati spoke on the successful use of P. R. in their respective cities; Herman C. Loeffler of Boston, James D. McGill of Rochester, and Robert E. Garrigan of Chicago stressed the great need of P. R. for their cities and told of the efforts being made to secure its adoption. Nearly a hundred League members and other interested persons were present at this two-hour discussion.

The luncheon, which immediately followed the morning session, was held in the Rochester Chamber of Commerce and proved to be

¹This annual report of the principal American P. R. gathering of the year has been held over to make room for detailed reports of the November P. R. elections.

the best attended session of the entire conference. It was sponsored by the P. R. League, the National Municipal League, the National Association of Civic Secretaries, and various local groups in Rochester including the City Club, the Chamber of Commerce, and the League of Civic Clubs. Nearly four hundred persons were present.

The two addresses at the luncheon were made by Hon. Samuel Seabury of New York and John H. Humphreys of London, secretary of the British Proportional Representation Society, who is looked to for information and guidance by workers for P. R. in all parts of the world. Judge Seabury urged the extension of P. R. to the election of constitutional convention delegates and a unicameral legislature. A part of his address, entitled "P. R. and the Constitutional Convention" was reproduced in the NATIONAL MUNICIPAL REVIEW for December. Mr. Humphreys, who was in this country to witness the P. R. election in New York, gave an enlightening address on "Methods of Election and the Making of History." "An analysis of the elections held in Europe during the last eighteen months has made it clear," he said, "that unfair methods have led to disaster"—as in Spain—"whilst fair representation has led to the coöperation requisite to the carrying on of government."

E. S. P.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

The Buffalo Municipal Research Bureau.—In population and property valuation the city of Buffalo constitutes 75 per cent of the county of Erie, though each has its own government and taxing system. The bureau's work is directed to both the city and county governments.

Following the adoption in New York State of a constitutional amendment authorizing the legislature to enact alternative forms of county government, the board of supervisors submitted to a referendum a form which provided a board of fifty-four supervisors, an appointive county manager, an elective comptroller, a modern budget system, and powers of local legislation. Though supported by the bureau and other forward-looking citizens'

organizations, the proposal was defeated in the referendum. Amendments to the law, covering points criticized by opponents of the reform, will be made, it is hoped, in the 1938 legislature, and another effort to pass the measure, modified perhaps, will be made in 1938.

The county board of supervisors appointed a committee of five officials and five citizens to submit a standardized schedule of salaries and positions. An outside firm of auditors was engaged to prepare the data and it is expected that the report will be completed for submission to the board in March 1938.

The city government during the past four years has been most difficult to impress with the ideals of government which obtain in governmental research bureaus generally. How far the Buffalo bureau impressed public opinion during this period is not, of course, easily measured. However, the election of 1937 resulted in the ousting of the Democratic eight-seven majority in the city council and the election of a twelve-three Republican majority and of a mayor on an independent platform. In the county, the Republicans made a clean sweep of all the offices and increased their majority in the board of supervisors.

The outlook for a better brand of local government in this locality, the research bureau believes, is greater than for years past.

SIDNEY DETMERS, Manager

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Bureau of Budget and Efficiency, City of Los Angeles.—This agency of the city government is continually engaged in fact-finding and research upon municipal affairs including budgeting, departmental administration in its various phases, and the rendition to the mayor and council of such other aid, information, or recommendation as may be requested in writing.

Bureau personnel numbers fourteen, comprising a director, ten staff members, and three stenographers, all fourteen employees having been regularly appointed to their positions after competitive examinations under the civil service provisions of the charter. The ten staff members, individually averaging ten years of service with the city and nine years with the bureau, are given a wide variety of assignments with arrangements being made for frequent joint activity in order that

maximum experience may be obtained and utilized to the best interests of the city.

Aside from budget work, which is a continuing major duty, the bureau in 1937 handled a greater than usual number of legislative and administrative matters contained in files or made the subject of councilmanic or departmental conferences. Personnel items and policies, particularly those resulting from increases in volume of work and recently adopted employee retirement provisions, have received considerable attention. In addition to the varied and voluminous routine assignments, considerable energy has been devoted to extensive studies and reports.

In order that the city's interests might be properly protected while the state legislature was in session a detailed analysis and digest of the thousands of bills submitted was made by this bureau.

To supply requested information relating to the budget procedure there has been prepared a thirty-four-page compact manual entitled "Making a Budget for the City of Los Angeles." Special organization and administrative surveys of the Bureau of Assessments and the Humane Departments have been completed. Much progress has been made on studies of the Library Department and Bureau of Street Lighting, while some further time has been especially devoted to the Bureau of Engineering, Fire Department, and Police Department. Also an analytical indexing of the charter has been made as a partial fulfillment of the council's instruction for joint charter revision activity by the city attorney and this bureau.

Investigations of space requirements and work with the Board of Public Works resulted in appreciably improved conditions for numerous departments with offices in the city hall. Representation at meetings of the State Board of Equalization devoted to valuation of public utilities was productive of material municipal savings. Also, analysis of proposals and recommendations thereon, together with subsequent collaborations with the city controller and city attorney, resulted in a decidedly advantageous purchase of the municipal airport site.

The maintenance of the municipality's financial stability for the last decade is conclusive evidence of the fact that officials and citizens of the city of Los Angeles have

profited from the advisory assistance afforded by the Bureau of Budget and Efficiency.

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Minnesota Taxpayers Association.—The association is now engaged in "grass roots" meetings held in county seat towns at which the story of taxation from the federal government down is given in simple form through lectures with charts. Greatest emphasis is given to local government. To help in the presentation of facts, the research department of the association has prepared studies for every unit of government within the county concerned, showing where reductions are possible and should be made, and giving a breakdown of expenditures over a period of years.

In turn, each county group conducts group meetings within the county to determine just what requests should be made to their officials for tax reductions. Usually public officials are found most willing to become a part of the movement to reduce expenditures, and such coöperation, of course, results in willing and active assistance from the various county groups when needed on state-wide matters.

Invariably, it has been found that the reason for the increased costs of county government has been recent laws handed down to it requiring mandatory levies for relief. In many instances, in fact, relief is the sole factor responsible for the high tax rate.

The association is now sponsoring a series of conferences of taxpayers and of those concerned with the administration of relief in an effort to formulate a feasible program for reducing relief costs gradually over a period of years.

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Taxpayers Research Association of Fort Wayne.—The association announces that the Fort Wayne property owner will pay taxes in 1938 at the rate of \$2.24 per \$100 of valuation, a rate which is 29 cents under the \$2 limit (exclusive of certain levies) fixed by the state of Indiana and which is the lowest rate in four years of successive tax reduction.

Also significant is the fact that Fort Wayne's rate is the lowest in the state of Indiana—the lowest rate among thirty-four cities of the first four population classifications. Among the state's major cities, Fort Wayne was the only one to submit a lower tax rate for 1938 than it had for 1937. Figures recently obtained regarding tax trends in the state of

Indiana show that Indiana property taxes as a whole have increased each year since 1934. Allen County, in which Fort Wayne is located, heads the list of three counties which have shown reductions each year since 1933.

During the past four years property taxes throughout the state of Indiana have been rising, notwithstanding the broadening of the tax base through the gross income tax, the intangible tax, and other new taxes. Therefore, the association has reason to feel that Fort Wayne's tax reduction work has been due in a large measure to effective organization for the change has been brought about in the face of the general trend throughout the state.

As important as tax reduction work may be in some instances, however, reducing taxes is not the only purpose, or even the major purpose of the Taxpayers Research Association. The association has always been primarily interested in bringing about good local government at the lowest possible cost, and if there are times when the citizens demand services which they are willing to pay for and which mean an increase in the tax rate, the research association has no objection to that increase provided the funds so raised

are efficiently expended. The association has even recommended increases in certain budgets in the interests of equitable and efficient administration.

In fact, the objective of our association is pretty accurately stated when it is said that our chief concern is to see that the taxpayer is given value for value received in the expenditure of every tax dollar. In view of the future development of this program, the association has now under consideration special research work in various governmental units for the definite purpose not so much of lowering the tax levy of that unit, but of bringing about greater efficiency through better methods, better management, and more efficient expenditure of the funds allocated.

We also hope, within a reasonable length of time, to see that all local governmental improvement expenditures are placed upon a pay-as-you-go basis. In other words, our association plans to bring about the elimination of the practice of issuing long time bonds with costly interest—interest which the taxpayers have to pay, and interest, which so often in times past, has proved more costly in the end than the amount of the principal of the loan itself.

ANGUS MCCOY, Executive Secretary

NEW YORK FIGHTS SYPHILIS

(Continued from Page 107)

When the Health Department recently requested voluntary hospitals to take indigent cases, for which the city would pay at the usual rate for care, only three hospitals agreed.

Today ten of the department's centers are treatment centers. They are overworked and crowded to capacity by the unemployed and other very poor infected persons. More treatment centers are needed. The department hopes that larger participation of private physicians, voluntary hospitals, and the Department of Hospitals will meet this need. The department will limit its treatment facilities as this function is taken over by other official and voluntary agencies.

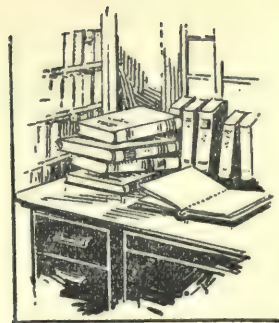
Funds. Funds for this far-flung program

have come from a number of sources. The city budget for 1937 provided \$275,000 for combating syphilis and gonorrhea. The public health sections of the social security act provided \$70,000 more. The WPA allocated about \$204,000 in personnel and supplies. In addition, \$12,000 was provided from private sources.

Officials in New York feel that they have progressed far enough to prove the soundness and practicality of their plan. Dr. Walter Clarke expresses the belief that all that is needed is "more of what we already have."

New York City has more than doubled its services to syphilis patients since 1935. The city has seen the results of intelligent, well planned action. But the fight has just begun.

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

The Case for Democracy. By Ordway Tead. New York, Association Press, 1937. 120 pp. \$1.25.

Democracy will flourish only when there is wide agreement about its content and the ways of realizing it. There is all too little consensus about its definition and method today and hence the value and timeliness of Ordway Tead's clear, concise essay.

Democracy, he says, is at once an ideal, a process, and a method. It is an aspiration centering around the belief in the maximum enhancement of the individual life. Secondly, the process of personal growth requires self-choices, self-assumed responsibilities, and shared participation in determining practical affairs. Thirdly, it affirms that there are certain organized methods and structural relationships by which choices are registered and participations are obtained and guided. No one form of representation, voting, administration, or delegation of authority, he points out, is inevitably and for every situation the best. In our complex age, democratic government "must extend its influence and its methods out into fields not historically viewed as political."

A large part of Tead's essay deals with the implications of democracy for business, a task which he is well equipped to assay. Pages 30-80, one-half of the treatise, treat this aspect of the subject.

The book is admirably suited to adult education purposes, for it is a short, thoughtful discussion of fundamental problems. Its value to the lay reader is enhanced by the fact that the essay is followed by an excellent twenty-three page bibliography dealing topically with all aspects of democracy. This book-list was

prepared independently by Benson Y. Landis and afterwards appended to the essay.

MARSHALL E. DIMOCK

University of Chicago

*

Valuation under the Law of Eminent Domain. By Lewis Orgel (under the auspices of the Columbia University Council for Research in the Social Sciences). Charlottesville, Virginia, The Mitchie Company, Law Publishers, 1936. 976 pp. \$10.

This is the first and most comprehensive study of the valuation of property taken by public authorities for public use. It is not only theoretical, but also intensely practical. Since the analysis cuts across the usual legal lines, it should be of great interest to economists, appraisers, and public officials.

The author brings to it his experience as chief assistant to Leonard M. Wallstein, who in 1932 was in charge of the investigation into condemnation procedure applicable to proceedings brought by the City of New York, and also his later experience as assistant corporation counsel in the actual conduct of condemnation trials and appeals for the City of New York.

The book is divided into three parts: (1) a general analysis of the problem of value in the light of judicial decisions.

(2) A detailed examination of the rulings of the courts on questions of evidence in the attempt to test the validity of appraisal concepts developed in the first part of the book. This portion of the book considers the relevance of all types of appraisal data in the proof of value. Thus it examines whether the assessed valuation may be used in determining value. It analyzes all types of data

forming the basis of valuation such as sales offers and reproduction cost of structures. The question of the relationship of income and of value is carefully considered.

(3) This section contains a complete analysis and study of the valuation of public utilities for the purposes of condemnation and public purchase. This is the only exhaustive study of this important question, and is particularly timely now because of the pressure on all sides toward the acquisition of municipal plants by local authorities and by federal government agencies like the TVA.

In the final chapter the author discusses the reforms possible in condemnation valuation.

The book should appeal to all forward looking municipal executives.

SOPHIA A. OLMSTED

*

The Influence of the American Bar Association on Public Opinion and Legislation. By M. Louise Rutherford. Chicago, Foundation Press, Inc., 1937. ix, 393 pp. \$3.00.

This work, a University of Pennsylvania Ph.D. dissertation, sets a rather severe test for the American Bar Association—nothing less than whether it is one of the agencies upon which the salvation of democracy depends. But the author does not show that the association has such influence that it may fairly be held especially accountable of democracy's fate.

There is, of course, no possible way to measure the impact of this or of any other agency upon public thought. It does not appear, in fact, that influencing public opinion is one of the purposes for which the association was established. And not until 1936 was there any constitutional machinery for discovering what the association itself thought on public questions. Positions were taken by officers and committees and by the minorities of members who attended conventions.

In such fields as professional ethics, standards of legal education and bar admission, and reform of judicial procedure the association seems to operate with the sure touch that might be expected. Also it can attract to committee posts lawyers who know the intricacies of many branches of the law. These can and do give much helpful guidance to legislators. That the views of those who have

spoken for the association have often prevailed is relevant though circumstantial evidence to prove influence. It is not claimed that the influence has invariably been in the right direction, and extended discussion of whether it has been right or wrong on particular issues is obviously beyond the scope of the dissertation.

Mrs. Rutherford's description of the association's efforts to inspire reverence for the constitution are of special interest. The association fostered Americanization committees, celebration of national holidays, teaching of the constitution in law schools (!), oratorical contests in public schools, radio addresses, pamphlets, cartoons, etc. The author is apparently a bit skeptical about the results. She thinks interesting dramatic presentations might be more effective than speeches, and finds the association's pamphlet distribution infinitesimal beside that of the American Liberty League.

The picture that comes from Mrs. Rutherford's pen is just that of another voluntary group, accomplishing what it can according to its lights, having a special usefulness in the field it knows best—the science and practice of the law. When this field is deserted for the broader fronts of public policy, the association's voice tends to grow less authoritative and accurate appraisal of its contribution to the national life more perplexing.

CLARENCE G. SHENTON

Philadelphia Evening Bulletin

*

State Control of Local Finance in Oklahoma. By Robert K. Carr. Norman, Oklahoma, University of Oklahoma Press, 1937. xiv, 281 pp. \$3.00.

The problem of the relationship between the state and its local governments continues to occupy the attention of those interested in the preservation and extension of home rule. This study is concerned almost entirely with the years 1931 to 1935 inclusive—when the trend away from home rule and toward state control, especially in financial matters, became accentuated.

Oklahoma has relied chiefly on legislative control—as contrasted with administrative—in its fiscal relations with local governments, but it has not been content to provide such control merely by means of statutes. Much has

been incorporated into the constitution, i.e., the limitation of the taxing power of local government, limitation of property taxation, etc.

The author discusses state control of such important matters as the assessment of property, local budgetary procedure, local indebtedness, accounting and auditing, etc. He feels that compromise is necessary and suggests that: "Before a state has gone very far with the preparation of a comprehensive governmental program it will be discovered that the total available for governmental purposes within a state can be assigned in part to state government and in part to local government, in the light of the relative importance and resulting services of each. Once this assignment is made, is there any reason why local government cannot be given a considerable measure of independence in the planning of its program and expenditures within the maximum limits permitted it?"

But, he writes: "It is true that we have based our final conclusions upon the premise that the right of local self-government must be retained if democracy is to continue to exist. But there is no good reason why Oklahoma must have seventy-five counties or five thousand school districts if this element of democracy is to be preserved!"

*

Permanent Registration of Voters in Michigan. An Appraisal. By James K. Pollock. Ann Arbor, Michigan, Horace H. Rackham School of Graduate Studies, University of Michigan, 1937. 15 pp. Litho-printed.

Michigan has had permanent registration for all units of government of five thousand and over—a total of 128 cities, villages, and townships—since 1932. Dr. Pollock presents here his appraisal of its use during these five years for the seventy-five cities and other units of local government which responded to the inquiries made. Tables set forth percentages of cancellations and reinstatement of registration in selected cities and towns (under that section of the law which requires the removal of the name of any voter who has not voted within a period of two years, provided such voter makes no response to a notice to such effect); and percentages of registered non-voters. Also included in the study are appen-

dices showing forms used with permanent registration and the list of cities, villages, and townships used in the survey, with population, number of cancelled registrations, and number of reinstatements.

The author has made another valuable contribution in a field where little such data has been available during the past few years. A companion study dealing with registration costs under the Michigan system would also be a worthwhile undertaking.

*

New Haven's Problems—Whither the City? All Cities? By Arnold Guyot Dana. New Haven, 1937. 142 pp. (Apply to author).

This volume, privately printed and distributed by the author, presents a discussion of present-day problems of New Haven, including its limited area, population and social changes, property taxation, the shrinkage of its grand list, and the handicap of tax exemption—which, says the author, is at its worst in New Haven. It also contains a thorough discussion of New Haven's finances. The book, according to Mr. Dana's foreword, is an appeal on behalf of New Haven, "long the financial and commercial leader of Connecticut, now the victim of a strange union of untoward circumstances, some local and some unique or peculiar to New England, others country-wide in their evil effect."

The report contains many excellent illustrations, maps, charts, tables, and graphs, and gives evidence of thoughtful preparation. It is offered by its author not "as a bullet-proof document, but as an honest, unbiased attempt to discover the main causes of New Haven's ills and in some measure to point the way to remedying or removing them."

*

Law and the Modern City. By Barnet Hodes. Chicago, Reilly Lee Company, 1937. 107 pp. \$1.00.

Corporation Counsel Barnet Hodes of Chicago throws light on numerous legal problems confronting local governments in this recently published volume which is an outgrowth of a series of lectures delivered by the author at Northwestern University. The book is written primarily for the layman rather than the lawyer. In it the author discusses what he terms "the basic reasons for confusion in municipal government everywhere."

In urging home rule, Mr. Hodess declares that increased demands upon government, which tax not only federal authorities but affect urban administrators as well, make it imperative that the modern town, village, or city be given wider powers of self-government in order that they may cope with the problems confronting them.

Mr. Hodess also discusses the overlapping of governmental units throughout the state and the resultant confusion of jurisdiction and examines the new federal-city relationships that have grown up as a result of the depression. Housing, zoning, and city planning problems are also considered.

*

Government in Small Council-Manager Cities. Chicago, International City Managers' Association, 1937. 16 pp. mimeo. \$1.00.

Because of the scarcity of data on the government of small municipalities with manager charters, the City Managers' Association undertook several months ago to send a questionnaire to the managers of all such cities under five thousand population. Replies were received from eighty of the 143 cities to which the inquiry was sent. The resulting report is composed of a series of tables setting forth the data collected.

Nine of the cities report that they are debt-free. Of the other cities, two are not in debt on general obligation bonds, fifty-two have no special assessment debt, and forty-four are paying what debt they have on a long-term funded basis.

In addition to financial data the report covers number of employees, utilities owned and operated, number and terms of councilmen, and other officials elected.

*

Unicameral Legislatures. Eleventh Annual Debate Handbook, 1937-1938, (two vols.). Edited by Bower Aly. Columbus, Missouri, Lucas Brothers, 1937. Each volume 220 pp. Seventy-five cents each.

These two volumes represent a carefully worked out presentation of material on the legislative body, including much that has recently appeared regarding the unicameral experiment in Nebraska. Volume One is devoted to a number of short chapters prepared specifically for the handbook by such leaders and teachers in the field of political science as

Henry W. Toll, Harvey Walker, John P. Senning, and Martin L. Faust. It also contains a bibliography. Volume Two contains excerpts from material that has been published in recent years on the subject of legislative bodies. Among contributors to the latter volume may be found George W. Norris, "father" of Nebraska's unicameral legislature, Robert Luce, W. F. Willoughby, John P. Senning, A. E. Buck, and Charles A. Beard.

*

The Unicameral Legislature. By Everett Phoenix Smith. Turner Center, Maine, Turner Center Debate Bureau, 1937. 231 pp. \$2.50.

This is another handbook prepared for the debater. The author begins his discussion with the year 800 in France and gives a very brief resumé of the development of the legislative system from that time until now. He presents arguments for and against the unicameral legislature, with eight lessons for debate classes, backing up his arguments pro and con with short excerpts from various authorities on the subject. The book is concluded with a bibliography.

*

Results of Municipal Lighting Plants. By Burns & McDonnell Engineering Company. Kansas City, Missouri, 1937. 230 pp. \$2.00. (Apply to author.)

This is the fifth edition of a valuable record of rates, earnings, costs of production, kilowatt-hour production, valuation, and other information on municipally-owned lighting plants. The new volume shows many drastic rate changes over the last edition which appeared in 1935. It covers 512 cities, a much larger number than has been reviewed previously. The record presented should prove indispensable to city officials, operators, and managers.

*

Training Program for Interns in Public Administration and Assistants in the Personnel Department. Prepared by the Training Division, Personnel Department. Knoxville, Tennessee, Tennessee Valley Authority, 1937. 43 pp. mimeo. Thirty cents.

Outline for a year's training course for government employees, which includes a detailed schedule of activities as well as bibliographical material for each participating department.

NATIONAL MUNICIPAL REVIEW

2
MARCH . . 1938

The Price of Citizenship

Editorial

Representation of Metropolitan Districts

David O. Walter

**An Inventory of Baltimore's Tax
Savings Department**

Hugh A. Bone

Maine's Emergency Municipal Finance Board

John W. Fleming and Roy H. Owsley

County Manager Government in Virginia

Charles J. Calrow

Must Traffic Creep in City Streets?

Maxwell Halsey

The Civil Service in the Constitution

H. Eliot Kaplan

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The contents of the NATIONAL MUNICIPAL REVIEW are indexed in the
Engineering Index Service, the *Index to Legal Periodicals*, the *Inter-
national Index to Periodicals* and in *Public Affairs Information Service*.

The League's Business

League Committee Meetings.—Representatives of the Civil Service Assembly of the United States and Canada, the National Civil Service Reform League, and the National Municipal League's *Personnel Committee* will hold a joint meeting in Chicago on Friday and Saturday, March 11th and 12th, to draft a model state personnel law.

The final meeting of the League's *Model City Charter Committee* was held in Chicago on February 12th and 13th. Decisions having been reached on all major issues, a Committee on Style and Final Draft will be appointed shortly to put the charter into final form.

The *New York State Committee* of the League has recently issued its legislative program for 1938. The program covers such important legislation for New York State as extension of city home rule, machinery to insure clean elections, restrictions on the political activity of civil service employees, establishment of a legislative council, and establishment of a municipal finance commission. Dr. Wallace S. Sayre, secretary of the New York City Civil Service Commission, has consented to serve as chairman of the group's drafting committee.

* * *

Mayor Carlson of Jamestown Honored.—Hon. Samuel A. Carlson, mayor of Jamestown, New York, for twenty-six years, and an associate of the city government for forty-two years, was recently given a testimonial banquet on his retirement from public affairs. Speakers included Hon. Harry C. Erickson, present mayor of Jamestown, and Robert H. Jackson, at that time assistant United States attorney general.

The *Jamestown Post*, in reporting the dinner, said editorially: "The testimonial dinner given in honor of Mayor Emeritus Samuel A. Carlson was a fitting and well deserved recognition of his four decades of devoted and able service to the people of Jamestown. It was a truly representative gathering of citizens of all political and factional affiliations, who attested by their presence the community's sincere appreciation of Mr. Carlson's long and successful labors for the common good."

Mayor Carlson has for many years been a member of the National Municipal League, the Proportional Representation League, and other organizations interested in the improvement of local government. The League is happy to join with the citizens of Jamestown in extending to him its congratulations on his long life of service in the cause of good government.

HOWARD P. JONES, *Secretary*

No picture of municipal politics today would be complete without placing in high light the "new politics" which has been gradually developing during the past forty years, and which took on a new lease of life with the coming of the manager plan of government. Forlorn-hope reformers have continued to battle gallantly with the forces of greed and corruption in the great metropolitan centers of the country—and with occasional victory. But, more significantly, good citizens, well led, have in hundreds of our smaller cities captured the city hall for a new type of honest, efficient, nonpartisan government, and (with some variations of fortune) held the fort to this day. THOMAS H. REED, *Municipal Government in the United States*.

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Editorial
Comment



March, 1938

The Price of Citizenship

THOMAS MANN, German author who won the Nobel prize in literature and who now is a voluntary exile from the Third Reich, believes the United States is "the lone bulwark against the destruction of liberty and freedom" but that this country "must use its youth and force and must put its social influence to work . . . before it is too late."

Among many who read them, his words will arouse a few moments of thoughtful consideration. They deserve more than that. They must be translated into action—action based on understanding and clear sense of direction. And that action can be exercised more effectively and certainly in our primary units of government than anywhere else. If democracy is preserved in our villages, towns, cities, and counties, we need have no fear for our states and the national government.

But when a well intrenched city administration so manipulates candidates that the voter is unable to make an intelligent choice, when ballots are so long and unwieldy that the voter gives up in despair, when the mayor of a large city announces that he is the law—and proves it!—when the ex-saloon-keeper boss of another great city emasculates the council-manager plan by making a puppet of the city manager to make his own control more efficient, conditions stand in clear relief which might well

give us pause before we accept too smugly the praise of admirers who come from abroad for lecture tours.

No one, not even the political manipulator himself, believes the people are getting what they actually prefer. It takes thorough organization, a lot of money, and sometimes election frauds to defeat consistently the will of a majority of the people of any community.

In the last few months a dozen or more campaigns for adoption of the council-manager plan have been defeated, not because the manager plan is lacking in desirability but because amateurs were pitted against experienced professionals who knew their "business" of politics.

Clearly pointing the way to be the "lone bulwark against the destruction of liberty and freedom," on the other hand, is the activity of amateur groups such as the one in Toledo, where thorough organization down to the last ward and precinct, such as would be a credit to any seasoned political machine, brought easy victory. The most heartening aspect of such an accomplishment as this is the proof it offers that it is still possible to get people to work for a cause without rewards in money or jobs, and, more particularly, that youth is eagerly in search of an ideal worthy of its support.

"Divided We Fall"

IN A "backwoods" county in the Missouri Ozarks is a courageous country editor who, with the little weekly newspaper he prints in the basement of his home, has for several years blocked a bond issue to build a grand new courthouse.

"We are too poor," he argues. "Our neighboring county has a new \$250,000 courthouse. Our county and three or four others ought to combine with our neighbor and help use it before it's out of date."

You would think that at least the big taxpayers would be grateful to this editor and be willing to follow his sensible leadership. But are they? No! They are punishing him by refusing to advertise in his paper. He doesn't worry. He is well along in years, with enough money to last, he thinks, and, anyway, he prefers to go fishing. If he had to set up ads as well as news he wouldn't have so much time to fish.

For many years consolidation of counties into units financially and geographically appropriate to the services they are expected to render has been urged. But even the hardships of the depression, which forced too many counties to default on at least some of their bonds, reduced the number of counties a mere trifle—from 3,072 to 3,069.

It would seem obvious, even to the politicians, who for their own private

reasons like the counties as they are, that paved highways, railroads, and the general ease of communication make our multitude of counties ridiculous. The legislatures of some states have passed enabling acts to permit counties to combine and remedy this very serious situation. But nothing much happens. Typically, any suggestion of consolidation brings a reaction like this:

"What, combine dear old Kosciusko County with LaFayette and Steuben Counties? What would you name it? Where would you put the county seat? Who would get the courthouse? Do you expect us to give up all the fine traditions which Kosciusko County has built up since the beginning of time—or at least for the last seventy-eight years?"

It should be perfectly obvious to those who examine the situation, especially as it has been magnified by the lense of economic collapse, that the alternative to the piecemeal surrender of services to the states is reorganization of county governments along these general lines:

(1) Single important administrative units large enough in population and wealth to render essential services efficiently; (2) centralization of responsibility in these units, with well defined authority at the head of each; (3) unification of tax-raising and tax-spending activities in so far as possible; and (4) establishment of adequate control of expenditure through proper budget procedure.

Representation of Metropolitan Districts

A change in the method of apportioning members of state representative bodies is necessary in order that there may be at least a guarantee of legislative action.

DAVID O. WALTER
University of Illinois

ONE of the most difficult problems with which the New York constitutional convention, to be held in April, will have to deal is the question of representation of New York City in the legislature. The under-representation of New York City is one of the notorious examples of the widespread discrimination against urban areas in our state legislatures. With 62.3 per cent of the total population the New York metropolitan district has only 54.9 per cent of the senators and 46.7 per cent of the assemblymen. Whereas Steuben County has one assemblyman for every 41,336 of population and Schuyler and Putnam Counties have one each for 12,909 and 13,744 respectively, Bronx County has only one for every 158,157 of population. In the senate the average district has a population of 246,825, but Queens has only one senator for every 539,585 in contrast to Rensselaer with one for 119,781.

These discrepancies are due both to constitutional provisions definitely intended to restrict New York City and to the failure of the legislature to carry out its constitutional duty to reapportion assemblymen and to revise the senatorial district. The first of the constitutional limitations is the provision that aliens shall not be included in the basis of representation,¹ a provision which, whatever its merits, helps to cut down the representation of New York City. This is less important than the

other restrictions, for the New York metropolitan district² has over 59 per cent of the *citizen* population of the state represented by 54.9 per cent of the senators and 46.7 per cent of the assemblymen. Specifically directed against New York City is the provision that: "No county shall have four or more senators unless it shall have a full ratio for each senator. No county shall have more than one-third of all the senators; and no two counties or the territory thereof as now [1894] organized, which are adjoining counties, or which are separated only by public waters, shall have more than one-half of all the senators."¹ The inequalities in representation in the assembly, especially the great variations in population mentioned above, are due primarily to the requirement that each of the sixty-two counties (including Fulton and Hamilton as one county) shall have at least one assemblyman, out of a total of 150. This means that the smaller rural counties are over-represented in proportion to their population.

The other major reason for the inequalities among legislative districts is the failure to enact into law any reapportionment or redistricting act since 1917. There have been three main reasons for this. The first is that there is in New York no general discrimination against all urban centers but only

²All figures on the population of metropolitan districts from *Fifteenth Census of the United States: 1930—Metropolitan Districts*.

¹Const. III, 4.

against New York City. The other metropolitan districts—Albany, Binghamton, Buffalo, Rochester, Syracuse, and Utica—have together 17.6 per cent of the population of the state, represented by 23.5 per cent of the senators and 20.7 per cent of the assemblymen. Consequently, there is no desire among all the urban districts to work for reapportionment.

More important than this has been the influence of party politics. The restrictions in the constitution of 1894, deliberately intended to favor the Republicans, have served their purpose well. From 1920 to 1935 only one Republican governor was elected, showing a Democratic majority in the state, but the assembly has had a Republican majority each year. As a result, the legislature and the governor have not been able to agree on any reapportionment, though one has been due since 1925. Consequently, reapportionment bills passed by Republican legislatures in 1926, 1929, and 1930 were vetoed by Democratic governors. Governor Lehman has annually recommended reapportionment, but without success.

TAMMANY LEGISLATORS PREVENT FAIR APPORTIONMENT

In 1935 the Democrats had for once obtained a majority in both houses of the legislature, and a fair reapportionment bill was almost passed. At that time another factor preventing action appeared. In addition to the solid upstate Republican opposition, there was enough defection in the Democratic ranks to defeat the bill. This was due to the fact that although the total population of New York City has increased since 1917 there have been great shifts in population: Manhattan had declined by 1930 from 2,137,747 to 1,867,312; Brooklyn had increased from 1,798,513 to 2,560,401. As a result of these and other changes New York County (Manhattan) would lose three senators and

seven assemblymen, Bronx would gain one senator and four assemblymen, Brooklyn would gain one of each, Queens would gain two senators and five assemblymen. Tammany legislators therefore joined with the Republicans to defeat the bill.

After the adjournment of the 1936 legislature there was no chance for further legislative action on reapportionment until 1941. In November 1936, however, in accordance with the constitutional mandate, the people of the state had an opportunity to vote as to whether a constitutional convention should be called in 1938. One of the main tasks of such a convention would be either to reapportion the state or to provide a more satisfactory basis and method of reapportionment. Both political parties ignored the issue, each fearing that the other would control the convention and make or perpetuate a gerrymander of the state in its favor. In spite of this, an overwhelming popular vote in New York City in favor of calling the convention was enough to over-balance the negative upstate vote. Delegates to the convention, elected at the general election last November, comprise ninety-one Republicans, seventy-six Democrats, and one Fusionist.³

There is a similar discrimination against the Chicago metropolitan district in the legislature of Illinois. With 54.0 per cent of the population of the state it has only 41.2 per cent of the senators and representatives. In contrast to New York, the Illinois constitution makes no specific limitation on representation from

³The articles by W. A. Warn of the *New York Times* at intervals during the past two or three years furnish the best analysis of the political factors involved, especially that published on January 26, 1936. See also W. F. Willcox, "The Recent Apportionment in New York State," 2 *Cornell Law Quarterly* (Nov. 1916): 1-19; W. J. O'Shea "Report to Joint Legislation Committee on Reapportionment," *Legislative Document No. 85* (1935); radio address by Governor Lehman printed in *New York Times*, April 8, 1935.

Chicago, but the requirement of equality of representation is a major reason for the failure of the legislature to redistrict the state since 1901. In that year, with 38.1 per cent of the population of the state, Cook County was allotted nineteen senators, 37.3 per cent. Today, with over half the population of the state, 52.2 per cent, it has the same representation.

Naturally, Chicago has resented this situation, and there has been agitation for a redistricting. On the other hand, downstate legislators have been unwilling to see the legislature dominated by representatives from one large city, especially in view of the fact that representatives are elected from the same districts as senators. It was over this question that the constitutional convention of 1920-1922 wrangled most. Finally, a compromise was drafted, providing that, in the senate, Cook County should never have more than one-third of the total number, but that representation in the other house should be in proportion to the number of votes cast for governor. The whole constitution, however, was decisively rejected in the referendum of December 1922.⁴

Agitation for change continued. In the 1925 session of the legislature, bills to effect this almost passed. In June 1925 occurred an abortive attempt by Cook County to withhold state taxes collected by the county.⁵ There was even talk of secession of Chicago from the rest of the state. Discussion continued through 1926 and 1927, with the Chicago newspapers favoring a redistricting, but with no success.⁶ The pri-

mary result of all this was that the center of the movement was transferred from the legislature to the courts. Several suits were brought by John B. Fergus in an effort to have the courts compel the legislature to act. Thirty years earlier the court had declared its lack of power to do this,⁷ and Fergus had no success in his attempt to get a mandamus against the legislature,⁸ or to restrain payment of the salaries and expenses of the legislature,⁹ or to apply quo warranto proceedings to senators and representatives elected to this "unconstitutional" legislature,¹⁰ the court refusing to do indirectly what it could not do directly.

EVEN MURDER OF NO AVAIL

John W. Keogh took up the fight, appealing to the federal courts on the ground that Illinois did not have a republican form of government and that the failure of the federal government to carry out its guarantee of a republican form of government by compelling reapportionment relieved him of his obligation to pay federal income taxes.¹¹ The Circuit Court of Appeals paid scant attention to this argument and the United States Supreme Court refused to review the case.¹² Mr. Keogh had one more try, of a more sensational nature. On January 13, 1936, he was arguing before Circuit Judge Prystalski on a motion concerning a mortgage foreclosure, basing his argument on the illegality of the legislature. On the refusal of the judge to listen to this argument Mr. Keogh killed the opposing lawyer and shot at the judge, because "something drastic had to be done to awaken the people."¹³ Up to the pres-

⁴A. C. Miller, "The Illinois Convention," 7 *American Bar Association Journal* (1922): 14-17; W. F. Dodd, "Illinois Rejects New Constitution," 17 *American Political Science Review* (1923): 70-72.

⁵C. M. Kneier, "Chicago Threatens to Revolt," 14 *National Municipal Review* (1925): 600-603.

⁶R. L. Mott, "Reapportionment in Illinois," 21 *American Political Science Review* (1927): 598-602.

⁷*People ex rel. Woodyatt v. Thompson* (1895), 115 Ill. 451, 475.

⁸*Fergus v. Marks*, 321 Ill. 510 (1926).

⁹*Fergus v. Kinney*, 333 Ill. 437 (1928).

¹⁰*People ex rel. Fergus v. Blackwell*, 342 Ill. 223 (1930).

¹¹*Keogh v. Neely*, 50 F. (2d) 685 (1931).

¹²284 U. S. 583.

¹³*New York Times*, Jan. 14, 1936.

ent time this act of vicarious *hara-kiri* has not had the intended effect.

One reason for the failure of the legislature to redistrict the state has been the unwillingness of the rest of the state to see Chicago dominate both houses of the legislature. In part this is due to the fact that the present constitutional provisions permit no discrimination in either house, whereas the experience of other states indicates that the most a metropolitan city can obtain is control of one house. In addition there is the feeling among rural voters that Chicago stands for crime, corruption, aliens, illiteracy, and industrial radicalism. As in New York, the other cities have not been interested in redistricting, even though the rural population has declined absolutely as well as relatively since 1900, and though the average urban constituency (outside of Chicago, where it is 209,585) is 141,865 as contrasted to the average rural constituency of 97,328. A further important factor is that there is no unanimous desire for change in Chicago itself: business and labor interests have worked out satisfactory relationships with the existing legislative arrangement, and the professional politicians are reluctant to disturb the present *modus vivendi*.¹⁴

RIVALRY BETWEEN CITIES

The rivalry of San Francisco is the dominant reason for the constitutional restrictions which prevent the Los Angeles metropolitan district, with 40.8 per cent of the population of California, from having more than 5 per cent of the senators and 40 per cent of the representatives. Prior to 1926 the constitution provided for representation in the senate and assembly according to population, but this became complicated by the phenomenal growth of Los Angeles from a population of 102,749 in

1900 to 576,673 in 1920, and 1,238,048 in 1930. Even under the apportionment of 1911 there were inequalities, and an equitable apportionment based on the census of 1920 would have allotted to Los Angeles eleven senatorial and twenty-two assembly districts instead of the eight senatorial and fifteen assembly districts the city then had. In the face of this threatened rise to political power of the city, the legislature adopted the tactics used elsewhere, refusing to pass any apportionment bill during its 1921, 1923, and 1925 sessions. To the opposition of the rural areas was added the traditional hostility between the bay region and southern California and the jealousy felt in San Francisco over the rapid growth of the southern city. In 1900 Los Angeles was less than a third the size of San Francisco, by 1920 Los Angeles was larger, and by 1930 almost twice as large. Because of these cross-currents of interest, Professor West, writing in 1923, despaired of any solution to the deadlock.

Agitation for a reapportionment, however, took effect. During the 1925 session the California Farm Bureau Federation favored the "three-eighths five-eighths plan" whereby not more than three-eighths of the forty senators were to come from the counties of Los Angeles, San Francisco, and Alameda. The plan was adopted by the senate, but defeated in the assembly. In 1926 Los Angeles favored an initiated constitutional amendment which was an attempt to force through a reapportionment on the existing basis by the creation of an administrative apportionment commission to act in case the legislature failed to act. A counter-proposal contained a similar feature, but changed the basis of representation in the upper house. This latter plan, as adopted and now in effect, provided that no county have more than one senator and that no senatorial district contain more than

¹⁴A. Lepawsky, *Home Rule for Metropolitan Chicago* (1935): 148-155.

three counties. This plan gained a majority in every county except Los Angeles, even San Francisco County being willing to have its senatorial delegation cut from seven to one in order to prevent Los Angeles from getting its proportionate number.¹⁵ It is worth noting, however, that if we consider metropolitan districts rather than counties, San Francisco with little more than half the population of Los Angeles has three times the representation in the senate, because Los Angeles is such a large county in area that the district includes a majority of the population in only one other county.

At any rate the compromise was adopted, restricting the cities in the senate but giving them full representation in the assembly. Even on this last point there was a bitter struggle between Los Angeles and San Francisco in the 1931 legislature over reapportionment of congressional and assembly districts, which ended in a victory for the former and for representation according to population.¹⁶ So, incongruous though it may seem that the counties of Mono and Inyo, with a combined population of 7,915, should have the same representation in the senate as Los Angeles County, with 2,208,492, the question seems to have been solved, at least temporarily.

Constitutional discriminations against the metropolitan cities are widespread. The Baltimore metropolitan district contains 58.2 per cent of the population of Maryland but has only 27.6 per cent of the senators and 38.3 per cent of the

delegates. This is due to the requirement that no county nor any of the six legislative districts into which Baltimore is divided shall have more than one senator and six members in the house of delegates.¹⁷ For the city of Baltimore, each senator represents on an average 134,166 people, for the rest of the state 37,575. Similarly as to delegates: in Baltimore the average constituency is 22,358, in the rest of the state it is 9,841.

In the neighboring state of Delaware, there is no provision for reapportionment, the existing districts having been set up by the constitution of 1897.¹⁸ As a result, Wilmington, the only city of over five thousand population in the state, has 45 per cent of the population but only five of the thirty-five representatives, 14.3 per cent; and only two of the fifteen senators, 13.3 per cent. Its metropolitan district has 63.9 per cent of the population but only 28.6 per cent of the representatives and 29.4 per cent of the senators. Any change would require a two-thirds vote in each house of the legislature, the body which is controlled by the rural representatives.

In Pennsylvania, too, there is a provision aimed directly at Philadelphia, that no city or county shall have more than one-sixth of the total number of senators.¹⁹ So far this has not worked a serious hardship on Philadelphia, since with 20.3 per cent of the population the city has 16.0 per cent of the senators and 19.7 per cent of the representatives. Under the apportionment of 1921, however, the size of the senatorial and representative districts varies greatly.

The New York City metropolitan district is discriminated against in New Jersey as well as in New York. There it has 72.1 per cent of the population and 70.0 per cent of the representatives,

¹⁵For the history of this controversy, see S. O. Blythe, "Shall City or Country Rule?", 92 *Country Gentleman* (March 1927): 6; see also F. N. Ahl, "Reapportionment in California," 22 *American Political Science Review* (1928): 977-980; V. J. West, "Our Legislative Mills—California," 12 *National Municipal Review* (1923): 369-372.

¹⁶Cf. T. S. Barclay, "Reapportionment in California," 5 *The Pacific Historical Review* (1936): 93-129.

¹⁷Const. III, 2, 4.

¹⁸Const. II, 2.

¹⁹Const. II, 16.

but only 38.1 per cent of the senators. This is due to the constitutional provision that each of the twenty-one counties shall have one senator and only one. As a result the populations represented vary from 27,830 (Sussex) to 833,513 (Essex). The requirement that each county have at least one member in the assembly does not produce as serious inequalities.

SOUTHERN DISTRICTS

In the south as well there are examples of restrictions on the cities. The Birmingham metropolitan district, with 14.5 per cent of the population of Alabama, has 4.7 per cent of the representatives and 2.9 per cent of the senators, due in part to the requirement that each of the sixty-seven counties have at least one representative and in part to the failure of the legislature to make any general reapportionment since 1901. The provision that "no county shall be divided in forming a [senatorial] district"²⁰ has been accepted as meaning that no county shall have more than one senator. Similarly, the Atlanta metropolitan district, with 12.8 per cent of the population of Georgia, has 2.9 per cent of the representatives and 3.9 per cent of the senators. Because of the method of apportionment—three representatives to the eight largest counties, two each to the next thirty, and one each to the rest—and the large number of counties, 161, any increase in the population of Atlanta is unlikely to be accompanied by an increase in the number of representatives.²¹ In the senate the population of the districts varies from 14,483 to 344,771. Although the legislature has the power to change these districts, maintaining the same number of districts and senators, fifty-one, it has not done so.

In the far west, California is not the only state where there is discrimination against the cities. Except for Portland the cities in Oregon are so scattered among dominantly rural counties that they could hardly obtain greater representation under any usual system of apportionment. The Portland metropolitan district, on the other hand, suffers noticeable under-representation. Containing 39.7 per cent of the total population, the district has eight senators, 26.7 per cent, and seventeen representatives, 28.3 per cent. This is due primarily in the case of the senate to the constitutional provision that each county with one-half the senatorial ratio shall have a senator;²² on a strictly proportional basis the district could control fourteen senators. In the house of representatives a similar constitutional provision is decisive, although the legislature might give the district its strictly proportionate share by reducing the representation of the other counties so that no other district had more than one representative, a solution which seems unlikely to be adopted.

The situation in Rhode Island is one where the representation of the city of Providence is more indicative of differences of political interest than is the representation of the Providence metropolitan district. With 36.8 per cent of the total population the city of Providence has 9.5 per cent of the senators and 25.0 per cent of the representatives. The under-representation is due not to the limitation of six senators to any city or town but to the over-representation of the other cities caused by the provision of at least one senator to each of the thirty-nine cities or towns. In the other house the under-representation is the result of the combination of two constitutional provisions; each town and city has at least one representative, and no town or city shall have more

²⁰Const. sec. 200.

²¹Cf. C. B. Gosnell, "Rotten Boroughs in Georgia," 20 *National Municipal Review* (1931): 395-7.

²²Const. IV, 6.

than one-fourth of the whole number. So that Providence, with 252,981 inhabitants, has four senators; all the others have one each, from West Greenwich (with 402) and Foster (with 946) to Woonsocket (with 49,376) and Pawtucket (with 77,149). The 422,417 inhabitants of the four largest cities are represented by the same number of senators as represent the 7,449 combined population of the seven smallest towns. In the house of representatives the discrepancy is considerably less, but even here the towns with one representative each vary in population from 402 to 11,104.

The constitutional provisions reflect a determination of the rural areas of the state to maintain their control of the state in spite of the overwhelming population of Providence and the other industrial cities. Behind this legal framework and other undemocratic restrictions, such as a property qualification for voting for members of the city councils, lies a cleavage of social, economic, racial, and party interests. The smallest villages are rural, Republican, reactionary, "Yankee," and capitalist; the cities support the Democratic party, which is relatively progressive, favors the industrial workers, and has urged constitutional changes in the direction of more democratic government. The minority Republicans have been able to maintain their control of the legislature through the system of representation. In one case, when Warwick showed a Democratic trend, the Republicans divided the town, putting the growing Democratic sections in West Warwick, but retaining a Republican representative and senator from Warwick. On the other hand, although factional disputes within the Democratic party when they came into control in 1934 delayed action on the proposal of a constitutional convention until March 1936, when the Republicans were able to de-

feat it in the referendum, Republican leaders in Rhode Island recognize that they are fighting a rear guard action and cannot hope to maintain their dominance much longer.²³

The Texas electorate showed considerable forethought in the adoption in 1936 of a constitutional amendment providing that no county have more than seven representatives unless its population is over 700,000, in which case it may have one additional representative for every 100,000 above that figure.²⁴

At the present time the largest county has only 359,328 people, but this constitutional restriction shows the intention of the present rural areas to prevent future dominance by the metropolitan districts of Dallas, El Paso, Fort Worth, Houston, and San Antonio.

DETROIT AND ST. LOUIS

Although Chicago, and to a lesser extent New York, are the notorious examples of the results of delay in reapportionment in causing inequalities, Detroit and St. Louis also suffer. With 43.5 per cent of the population of the state the Detroit metropolitan district has only 25.0 per cent of the senators and 24.0 per cent of the representatives. This is due primarily to the great increase in population in Detroit since the senatorial and representative apportionments were made in 1925, partly to the inequalities among the districts even at that time, and partly to the provision that each county with half the ratio of representation is entitled to separate representation.²⁵ Despite agitation in Wayne County no reapportionment has

²³O. A. Welsh, "American Rotten Boroughs," 52 *Survey* (1924): 509; C. C. Hubbard, "The Issue of Constitutional Amendment in Rhode Island," 30 *American Political Science Review*, (1936): 537-40.

²⁴Const. III, 26a.

²⁵For an analysis of the problems, see *The Michigan Plan*, a report submitted to the Wayne County Board of Supervisors by B. B. Pelham (1931).

been made since that time and an initiated proposal for reapportionment was defeated in the referendum in 1932. In Missouri the reason for the St. Louis metropolitan district with 28.6 per cent of the population having only 20.6 per cent of the representatives is rather the various constitutional restrictions than the failure to reapportion since 1921: each county, no matter how small, has a representative; and there is a graduated electoral ratio so that larger counties are not represented in proportion to population. The senatorial districts are to be equal in population without any such limitations, but the legislature has refused to reapportion since 1901. Attempts to get through an apportionment and redistricting by constitutional amendment or by action by an apportionment board empowered to act in case of legislative inaction were frustrated by the Missouri supreme court in a series of weird decisions.²⁶ A proposed amendment to overrule these was rejected by popular vote in 1924. Since urban-rural rivalry in Missouri has paralleled party rivalry, there seems little immediate prospect of an equitable senatorial reapportionment.

REFERENDUM VOTE BRINGS NEW APPORTIONMENT

In contrast to this picture of widespread discrimination against the metropolitan cities, the experience of Denver and Seattle is encouraging. The latest reapportionment in Colorado had been that of 1913—there was none following the census of 1920, nor did the legislature of 1931 take any action based on the 1930 census—so the people in 1932 adopted a reapportionment plan by referendum vote on initiated measure. This allotted to the senatorial districts one senator for the first 17,000 popu-

lation and an additional senator for each 35,000 or fraction over 32,000; similarly it gave to the representative districts one representative for the first 8,000 and an additional one for each 19,000 or fraction over 17,000. This clearly discriminates against the more populous counties, but the legislature was not satisfied. In June 1933 it passed a bill which expressly repealed the plan adopted at the polls in the previous November and which discriminated even more against Denver. This was too much for the Colorado supreme court. In the case of *Armstrong v. Mitten* (95 Colo. 425), in a proceeding under the declaratory judgments act, it declared that the legislative measure was void and the initiated one in effect.

Use of the initiative in Washington had similar results. There had been no apportionment since 1901 until in 1930 a popularly initiated measure was adopted by the voters. In this case the use of direct legislation enabled the urban areas to break the control of the rural areas in the legislature. With a rapid growth in population Seattle had for years become more under-represented in the legislature and there seemed small possibility of any change by action of the legislative body. The two next largest centers of population were not entitled to any additional representation, and so did not favor this bill; and in spite of the fact that it obtained a majority of the total votes it had a majority in only six of the thirty-nine counties. The "cow county" bloc, however, carried through the 1931 legislature a proposal for a constitutional amendment to guarantee at least one representative to a county and to prevent any one county from having more than 21 per cent of the representatives. This proposal, aimed at Seattle, was defeated in the November 1932 election. Under the initiated law, with slight changes in 1933, Seattle with 29.6 per

²⁶*State ex rel. Halliburton v. Roach*, 230 Mo. 408 (1910); *State ex rel. Lashly v. Becker*, 290 Mo. 560 (1921); *State ex rel. Jordan v. Becker*, 329 Mo. 1053 (1932).

cent of the population has 26.1 per cent of the senators and 24.2 per cent of the representatives. Unless the rural counties succeed in getting through a constitutional amendment similar to that defeated in 1932, it seems likely that Washington, through the use of direct legislation if the legislature fails to act, will continue to have an apportionment based on population in both houses. That the rural counties, having lost control of the legislature, can regain enough to get the two-thirds vote necessary to submit a restrictive constitutional amendment is doubtful; as long as Seattle displays moderation in the apportionment acts it advocates, Spokane and Tacoma are unlikely to join the rural areas in any changes.²⁷

This survey of the representation of some of the leading metropolitan districts suggests a few general conclusions. When, as in the case of Providence and New York City, the discrimination against the metropolitan districts parallels a clear-cut partisan line-up, there is little hope for any change except with the rise of the party with which the city voters are affiliated. Furthermore, where several smaller cities hold the balance of power between the large metropolitan area and the rural and town voters, little can be accomplished in the way of change if those cities are hostile, as in New York for partisan reasons or as in California for sectional reasons. Seattle has had to rely on lack of opposition in Spokane and Tacoma. Chicago and Cleveland need the support of the downstate cities. More than this, for any successful attempt to get fairer representation there must be agreement within the metropolitan district for some

change instead of factional quarrels as in Providence and New York City or political inertia as in Chicago.

It is hardly likely that any change can solve permanently the problem of the relative weight to be given in the representative body to the cities, but it is certain that even a temporary solution requires a removal of some of the constitutional restrictions upon them. In addition, it is apparent that the legislature is an unreliable agent for the passage of apportionment statutes which change the balance of power within its own membership.²⁸ A change in method is necessary, so that there may be at least a guarantee of some legislative action, enforced by the possibility of popular initiative or apportionment by an administrative body in case the legislature fails to act.

Metropolitan Districts

	<i>Per Cent of State's Population (1930)</i>	<i>Per Cent of Representation In Senate (1937)</i>	<i>Per Cent of Representation In House (1937)</i>
Atlanta	12.8	3.9	2.9
Baltimore	58.2	27.6	38.3
Birmingham	14.5	2.9	4.7
Chicago	54.0	41.2	41.2
Denver	31.9	28.6	27.7
Detroit	43.5	25.0	24.0
Los Angeles	40.8	5.0	40.0
New York, New York	62.3	54.9	46.7
New Jersey	72.1	38.1	70.0
Philadelphia	26.0	20.0	24.0
Portland, Oregon	39.7	26.7	28.3
Providence	92.8	54.3	84.0
St. Louis	28.6	20.6	14.7
San Francisco	22.7	15.0	22.5
Seattle	29.6	26.1	24.2
Wilmington	63.9	29.4	28.6

²⁷F. W. Hastings, "Voters Initiate Reapportionment," *State Government* Feb. 1931: 7; J. O. Oliphant, "Congressional and Legislative Redistricting in Washington," 21 *National Municipal Review* (1932): 340.

²⁸For a discussion of some of the suggested changes see D. O. Walter, "Reapportionment and Urban Prosperity," 195 *Annals of the American Academy of Political and Social Science* (1938): 11-21.

An Inventory of Baltimore's Tax Savings Department

Many home owners take advantage of city's plan to accumulate amount of taxes by frequent small payments into a tax savings account.

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THE city of Baltimore, Maryland, was one of the few large cities to remain financially sound before, during, and after the depression. Its record in the collection of taxes is one of envy. The reasons for this are many, not the least of which is the effort expended by Baltimore's Bureau of Receipts to make the collection of taxes at least fairly pleasant psychologically through courtesy, simplicity, and interest-provoking graphs. When one steps into the Bureau of Receipts he is met by attractive signs such as, "You get more for your tax dollar than any other dollar you spend." An understandable diagram accompanies this 1938 tax collection slogan showing where each cent of the tax dollar goes. Every year a unique tax collection campaign is launched to educate the public to the advantages of the prompt payment of taxes.

In addition an extraordinary attempt has been made to put into practice the Adam Smith canon of "convenience of payment." For over a decade Baltimore has had contracts with some three score banks in the city to act as collectors. Also citizens may deposit to accumulate their taxes through savings accounts in the banks. With the crash of so many banks in 1932 and the first quarter of 1933, however, numerous citizens lost the money which they had deposited as a savings towards their taxes. Many others no longer trusted the banks and attempted to hoard the money in their homes, subject of course to the tempta-

tion of spending it for other purposes. Small home owners and people of small means found it increasingly difficult to pay their taxes in a lump sum and many defaulted.

To make matters worse, Baltimore's city charter provided no method for paying taxes by installments, and the state legislature was not to be in session again for two years, so that even the cumbersome path of securing an enabling act from the legislature was not open. At this juncture (May 1933) Thomas G. Young, collector and manager of the Bureau of Receipts, introduced the idea of a Tax Savings Department to assist taxpayers who found themselves in this plight.

Concisely, the plan is an arrangement between the city collector and the taxpayer by means of which the latter may accumulate his tax money gradually by depositing small amounts of not less than one dollar at any one time. The taxpayer presents the bill he wants to pay to the cashier of the savings department. The cashier proceeds to record this information and enters in a pass book whatever amount the payer deposits. The pass book and transaction is similar to that of a savings account in a bank, thus making the proceeding a familiar one to many. A notation is made on the tax ledgers that a savings account has been opened, but no credit is entered thereon until the account has been paid in full and closed in the tax savings department.

If one-half of the city tax has been accumulated prior to final payment, the interest or discount rate applicable to tax payments at that time is charged or credited to the account and the rates applying at the time of final payment are applied to the remainder of the bill. In short, this has the general effect of reducing the amount on which interest and penalty would be charged. If the amount is accumulated during the discount period, the taxpayer is given the benefit of the discount on the amount paid. Unlike a bank, interest is not given on the deposits. The rules and regulations are meticulously, yet clearly, set forth in the pass book so that the taxpayer need not have any doubts as to the process or its function.

Nearly five years have elapsed since the inauguration of this scheme, and an inventory may now be taken with profit. The accompanying table presents statistical data on the operation of the plan from its inception to January 1, 1938. At the outset it may be stated that there are many figures and estimates not yet worked out by the department by which one could better judge the results of the plan. Nevertheless, enough data is available to ascertain the general trends and uses of this type of installment payment of taxes.

FIVE YEARS OF BALTIMORE'S TAX SAVINGS
DEPARTMENT

<i>Year</i>	<i>Accounts Opened</i>	<i>Accounts Liquidated</i>
May '33—		
Dec. '34	36,054	21,329
1935	16,611	19,883
1936	19,315	17,919
1937	18,793	18,568
Total	90,773	77,699

<i>Year</i>	<i>Amounts Collected</i>	<i>Amounts Liquidated</i>
May '33—		
Dec. '33	\$ 370,316.86	\$ 179,443.26
1934	2,214,372.24	1,860,000.18
1935	2,462,055.26	2,457,903.19
1936	3,694,999.72	3,602,299.99
1937	4,153,968.29	4,194,688.57
Total	\$12,895,712.38	\$12,294,335.20

By the end of 1934, 36,054 accounts had been opened. Of these, approximately 16,000 were to the credit of the Baltimore Emergency Relief Commission. This commission deposited certain portions of the checks for those on relief towards their taxes. This arrangement was highly unsatisfactory because there was little opportunity for those on relief to deal directly with the tax savings department. To have the commission deposit money of varying amounts resulted in confusion and frequently led to disputed claims. From the beginning the idea of large collective deposits by one agency did not work and the accounts were soon discontinued.

It will be noticed that from the start there has been a consistent increase in the number of accounts opened,¹ amounts deposited, and amounts liquidated. An account is said to be liquidated or closed when a depositor has accumulated enough to pay his tax bill, including interest and penalty.

Figures on the number of taxpayers in the city of Baltimore are not available. Officials do not care to offer an estimate because there are so many individual duplications, i.e., the same person may pay a personal property tax,

¹The only exception to this occurred last year. Although 522 fewer accounts were opened in 1937 than in 1936, the total amount accumulated in 1937 was \$458,969 more than in 1936.

tangible and intangible, and any number of special assessments and licenses. One may examine the total amount collected from all sources, however, and from this note the percentage of the total amount collected through the savings department. In 1934, 6.65 per cent of all tax collections for the city were accumulated by the tax savings department; in 1935 this percentage rose to 7.58; in 1936 it increased to 10.70; and in 1937 to 11.10. Again this shows that there is an increased use being made of the arrangement.

It is very obvious, however, that the plan is not responsible for the collection of a large percentage of tax money, nor can it be said to be utilized by a large percentage of the taxpayers. Yet even quantitatively speaking it cannot be said that any plan which assists some 19,000 persons yearly to pay at least part of their taxes on time as well as showing promise of bringing upward of \$4,000,000 annually into the Bureau of Receipts, is insignificant. Besides, it gives the city a considerable amount of funds for immediate use to meet fixed charges and current operating expenses.

Further scrutiny of the plan reveals that it performs a greater service in the collection of back taxes than of current taxes. In 1936, for example, approximately \$3,695,000 was collected through the department, yet only \$580,000 of it was collected for current taxes. In commenting on this, however, Mr. Young, the collector, said: "At the end of each year there has usually been a balance to be carried over in the tax savings department of approximately \$500,000 which has increased our percentage of current taxes collected approximately $1\frac{1}{2}$ per cent; and inasmuch as the price of city stock and the city's ability to borrow at low interest rates is directly affected by the percentage of tax collections, the advantage of having the installment system is very evident."

No attempt has been made by the department to discover how much the collections through the savings has figured in the reduction of arrears. This information, according to Mr. Young, will be available in the future. The department also has not attempted to keep records of the proportion who liquidate their accounts before interest and penalty begin (August 1st). From the figures cited above it may be deduced that only a small minority do so. The two months in which the largest number of accounts are opened are January and July. The latter instance suggests that many begin their accounts when they see their bills going into arrears and the consequent penalties beginning.

SMALL HOME OWNERS HELPED MOST

The greatest virtue of the plan lies in a different realm, a realm frequently overlooked by the reputedly cold blooded tax collector. The plan was originated and designed to help people of small means, particularly the small home owner, to pay taxes in installments. In this it has succeeded well. No account may be opened for a tax bill of less than ten dollars. However, larger taxpayers also have opened accounts, some upward of \$20,000. (In the latter category are persons having the same names as a nationally famous sports writer, movie actress, and orchestra leader.) The majority of accounts, however, are those whose annual tax levy is about \$110. This class of tangible property owners, i.e., those who occupy their own property, has benefited most by the plan and several hundreds would have lost their homes had they not been able to save a little each month for the purpose of paying taxes.

An examination of the individual accounts is illuminating. The average deposit runs about ten dollars, and a considerable majority of accounts show definite evidence of budgeting. For in-

stance, the depositors come in at regular intervals and deposit the same amount each time. Many bring in ten dollars once a month. Frequently, one sees deposited eight dollars one month and twelve dollars the following month in an effort to maintain the average ten-dollar balance. A great many come in weekly and deposit two to five dollars. In this manner taxes may be included in the taxpayers' current expenses.

CIVIC RESPONSIBILITY DEVELOPED

In short, the plan is encouraging and teaching the citizen to save for payment of his taxes. It makes him tax-conscious and leads him to budget his personal finances accordingly. The cashiers report that large numbers remark that it has helped them to learn to budget their personal accounts not only for taxes, but for all other expenditures. This is one of the intangible but important contributions of the system. One need but stand by the cashiers' windows a few moments and listen to comments to appreciate this fact. Many come in to apologize or explain why they only paid eight dollars last month instead of ten dollars and that they are going to deposit twelve dollars next month to make up for it. Negroes and other racial and national groups have been particularly outspoken in their praise of the plan. They return to their respective neighborhoods with considerable enthusiasm and on their next trip to the Bureau of Receipts bring friends with them to open accounts. Remarks also lead one to believe that the plan is helping to develop some sense of civic responsibility and an interest in discharging one's duty financially on an orderly and planned basis.

An arrangement such as this helps people who have not done so in the past to save for the purpose of paying taxes. Many struggling taxpayers unfamiliar with banks would prefer giving over

small payments to the city. Although one may utilize a savings account in a bank to accumulate money at interest for the purpose of discharging his tax levy, there are two disadvantages. Particularly in the past there was the danger that the bank might become insolvent. Also, money deposited in a bank may always be withdrawn for other purposes, whereas money once deposited in the tax savings department will not be refunded. Then, too, there is always the possibility that the length of time needed to accumulate funds in the bank for the total tax levy would necessitate penalty and interest for going into arrears. As a matter of fact the cashiers are able to show many instances where the citizen saves by depositing his money from the beginning in the Bureau of Receipts rather than to accumulate the sum in a bank paying interest, even though no interest is allowed by the Bureau of Receipts.

Parenthetically, it may be remarked that because the tax savings account bears no interest and because more people in Baltimore pay their taxes through the banks rather than over the counters of the tax savings department, the banks have not offered protest that the scheme offers competition with them, unfair or otherwise.

For the business man the arrangement provides for liquidation of taxes on the same basis as rent and salaries. As in many other cases, there has been no study of the number of business men who pay their taxes by installments and the authorities are not ready to estimate the number other than to claim that it serves an impressive number of the smaller businesses.

Another advantage which may be claimed is that an opportunity is provided whereby surplus funds on hand may be invested in a tax savings account to pay future tax bills. It is not

without significance that in 1937, over 1,100 accounts were opened prior to December 31st for the purpose of building up an account to pay the 1938 tax bill and to take advantage of the discount offered by the city for prompt payment of taxes. By December 31, 1937, \$85,303.39 had been deposited in advance against the 1938 tax bills and one payment of fifty dollars was made on a 1939 account.

Two other observations might be made. Although accurate figures are not available, the authorities point out that a good majority are "repeaters", i.e., they utilize the service annually and year after year re-open accounts. This indicates that they have developed a tax saving habit and have learned to live on a budgeted account accordingly.

Although it is permissible to deposit by mail, the cashiers report that not more than one person in every ten does so. The great majority prefer to come in person even though carfare amounts to a sum considerably higher than the postage. Not the least among the reasons for this seems to be that the citizen enjoys chatting and making inquiries about his account.

CONCLUSION

The tax savings arrangement as now operated in Baltimore has some superiority over other more conventional installment plans. In the first place it is more flexible. The citizen may come in at a time of his own choosing and deposit an amount of his own choosing. It affords opportunity, therefore, to pay at a time, according to a method, and in an amount to suit the taxpayer's convenience. There is no penalty for failure to meet one's installments other than the general penalty for taxes in arrears. If the taxpayer reports at the office, makes some deposit, and indicates an intention to meet his tax obligations, the collector has shown extraordinary

leniency and discretion. The cashiers perform the function of consultants and they impressed the writer as being men possessed of insight into human nature as well as understanding and sympathy.

In a conventional installment plan a considerable office staff must be employed for follow-up work on defaulted quarterly or other periodic payments. In the tax savings plan no staff is needed for this work and the annual operating cost is estimated by Mr. Young as \$7000, which is considerably below the figure for the operation of an ordinary installment scheme of the same magnitude. The initial outlay of the respective plans would be approximately the same.

Quantitatively speaking, the plan serves only a small minority of the taxpayers and efforts to popularize the scheme have not resulted in any wholesale conversion. But it must be remembered that it requires time to change the tax-paying habits of people, habits which have always been notoriously lackadaisical. The consistent upward trend both as to the number of accounts and the amounts involved speaks well for the scheme. Furthermore, no city desires a majority of its citizens to pay taxes in installments.

The greater asset of the plan is not on the financial but "human" or "personal" side. Every installment plan should be designed to help that minority who, though they are conscientious, are unable to meet their obligations on time. The tax savings principle has helped to allay that fear of loss of home and the sense of insecurity which has stalked the small home owner. Its existence might be justified on that score alone.

The plan was inaugurated under the administration of Mayor Howard W. Jackson during the depression crisis as an emergency measure. However, it has

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Maine's Emergency

Municipal Finance Board

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A significant experiment in state control for relief of the ills of bankrupt municipalities which merits attention of students of government.

ON AUGUST 11, 1937, the Maine Emergency Municipal Finance Board (created by act¹ of the 1937 legislature) took over the administration of the town of Van Buren. Similar action has since been taken with regard to the town of Connor, the city of Eastport, and St. Francis Plantation. These developments climaxed a movement started in Maine some five years ago² to provide a method by which the state might exert more control over municipalities in financial distress and aid in their rehabilitation.

While the board actually has assumed control of only four municipalities, there

¹Chapter 233 of the public laws of 1937, amending chapter 284 of the public laws of 1933, special session. The board is composed of state officials *ex officio*, as follows: state tax assessor, *chairman*; state auditor; treasurer of state.

²An act creating an emergency municipal finance board was adopted at a special session of the Maine legislature in 1933 (chapter 284 of the public laws of 1933, special session), but because it was thought to be unenforceable no action was ever taken under it. It empowered the board therein created to take over any municipality which "becomes six months in arrears in the payment of its taxes to the state in full or in part or defaults on any bond issue or payment of interest thereon or refuses or neglects to pay school and other salaries due." Among the reasons why this act was thought to be unenforceable was the fact that it made no provision for suspending the enforcement of claims against a municipality while the board should be in charge; moreover, under the act the board lacked certain powers as to finances which were necessary in order to make its control effective.

are at present other cities, towns, and plantations which appear to meet the conditions requisite for the assumption of control by the state. The 1937 act provides that the board may take control of any municipality which "becomes one year and six months in arrears in the payment of its taxes to the state in full or in part or defaults on any bond issue or payment of interest due thereon or refuses or neglects to pay school and other salaries due and has also received, from the state, funds in support of its poor," provided that "such delinquency is not due to disbursements for emergency relief not reasonably to be anticipated or to other unavoidable misfortune." In short, state control may be applied to municipalities which have received from the state funds in support of their poor³ and which meet any one of the other qualifications quoted above.

Since there are only forty municipalities⁴ which have received from the state funds for such poor relief, the maximum

³In Maine the towns have the obligation of relieving the poor ("paupers") who have a "settlement" in the town, while the state assumes responsibility for all others. The words in the act refer not to contributions by the state for regular "state paupers" but to contributions by the state for the support of poor who are, under the laws of Maine, properly town charges.

⁴At the present time in Maine there are five hundred and eleven cities, towns, and plantations.

possible extent of state control at this time cannot be in excess of this number of municipalities. Just what this maximum possible extent is depends upon how many of these forty municipalities meet at least one of the other requisite conditions for state control. Sixteen of the forty, including the four already taken over, are now at least one year and six months in arrears in taxes due the state. Statistics are not available to show how many of the remaining twenty-four municipalities have failed to meet at least one of the other obligations quoted above from the law. Even if such statistics were available, it would still be impossible to ascertain how many of the forty municipalities could be taken over, since the board must determine in each case that the delinquency reasonably could have been anticipated and avoided. Moreover, it appears that the policy of the board is to limit its activities to those municipalities where there is some definite expression of local sentiment in favor of state intervention.

POWERS OF BOARD

As to the powers of the Board of Emergency Municipal Finance and/or its agents with respect to a municipality which is taken over, the statute provides, briefly, that the board may "take over and regulate the administration of the government of said town, city, or plantation and the management of the financial affairs thereof *and administer the same to the exclusion of or in coöperation with any other local government or governmental agency*" and to appoint one commissioner, in cases of municipalities under five thousand population, or three commissioners in larger municipalities, "to act under the direction of said board with relation to the government and management of . . . the said town, city, or plantation"; to declare the office of any official of the municipality vacant temporarily; and to appoint successors to any or all such offices or to appoint

a manager or agent to administer two or more such municipalities; to "make temporary loans to the extent of the constitutional debt limit" of the municipality, and further "to issue negotiable commissioners' certificates, *such certificates to be a preferred claim against all the assets of said city, town, or plantation*"; to "lay assessments upon the property in said city, town, or plantation, and to collect the same, for the purpose of paying deficiencies and accounts previously contracted by said city, town, or plantation"; and to continue in charge of the government of the municipality "until such time as its taxes due the state, or loans made therefor, expenses, or obligations incurred by said commissioner or commissioners, or the Board of Emergency Municipal Finance, shall have been paid and until, in the opinion of the commissioner or commissioners or the Emergency Municipal Finance Board, the financial affairs of said city, town, or plantation may be resumed under local control."

The act further provides that during the time the commissioner or commissioners are in charge of a municipality no suit shall be brought against such commissioner or commissioners or against the municipality; that the "enforcement of all claims, liens, debts, judgments, attachments, or other actions then pending or subsisting against such municipality shall be suspended and continued until said commissioner or commissioners shall have completed their duties and relinquished their authority over such municipality"; and that during said period of control the statute of limitations shall not run on any obligations of the municipality.

DEGREE OF CONTROL EXERCISED

While the act is not entirely clear on the point, it appears that the degree of control which may be exercised by the board over a municipality may range from that of a case where the regular

town government is maintained, with the annual town meeting and the usual municipal officers and officials continued in force, the board serving merely in a supervisory and advisory capacity, to that where all semblance of local self-government is abolished and the board assumes full control even to the point of eliminating the annual town meeting and the selection of any local officials whatsoever. Some wording in the act seems to imply that the latter situation was not contemplated by the legislators, as, for example, the following: "A sum sufficient to cover such expenses . . . *shall be appropriated each year by the city, town, or plantation* and shall be paid by said city, town, or plantation upon requisition of the commissioner or commissioners," and, further, "*no appropriation shall be made and no debt incurred* except with the approval or upon the recommendation or requisition of the commissioner or commissioners."

On the other hand, it appears that ample authority is conferred upon the board to enable it to assume, temporarily at least, absolute control of a municipality should it see fit to do so; it is given power to dismiss all municipal officials and to appoint their successors or other agents, and to vote them compensation for their services; to incur "such other expenses as they may deem necessary"; to make loans and to issue negotiable commissioners' certificates; and even to lay and collect "assessments upon the property" in the municipality "for the purpose of paying deficiencies and accounts previously contracted by said city, town, or plantation."

The question of whether the board might continue indefinitely to administer a municipality without the holding of town meetings appears to hinge upon the proper interpretation of the last quoted provision, namely, whether the words "deficiencies and accounts previously contracted" refer to obligations

incurred by the municipality before the assumption of control by the board or whether they include any obligations contracted for before the assessment is made, whether by the board itself or by the municipality before the taking over by the board. If the former is the correct interpretation, then the board would in time be required to have authorization from the town for levying taxes or assessments, in order to raise revenues for its continued operations, for while the board clearly enjoys the power on its own authority to make temporary loans and to issue negotiable certificates on the municipality, these, of course, cannot be issued in excess of the constitutional debt limit. But if the provision in question may be construed to give the board authority to lay assessments on property to pay indebtedness incurred by it as well as that incurred before its intervention, then the board enjoys all the powers now vested in the municipal officers and voters in town meeting, and so would not be obliged to secure the approval of the town for any of its actions, including the levying of taxes or assessments.

Now, inasmuch as the act confers such comprehensive and far-reaching powers on the board, the question at once arises as to why the voters or officers of certain municipalities have seen fit to request the board to take over the government of their respective municipalities. The answer seems to lie in the fact that Maine law provides *that the private property of the inhabitants of municipalities may be taken to pay any debt due from the municipality*.⁵ In fact, the provision in the 1937 law to the effect that enforcement of all claims, liens, debts, judgments, and attachments against a municipality are suspended during the period the

⁵Chapter 56, section 116 of the revised statutes of 1930; see also chapter 98, sections 30-32 of the revised statutes of 1930.

board is in charge has been the main consideration prompting such local action in each case in which the board has thus far been requested to intervene. In Van Buren, for example, the municipal officers and a citizen's committee unanimously requested the board to take over the town government as the direct result of the fact that certain large creditors of the town had threatened suit, which might have resulted in the attachment of private property in the town to satisfy a judgment in favor of the creditors.⁶

FIRST TOWN UNDER STATE ADMINISTRATION

The town of Van Buren is in the extreme northeastern part of Maine. It is on the international boundary, separated by the St. John River from the Canadian province of New Brunswick. In 1930 the population of Van Buren was reported as 4,721—an increase of 127 over 1920.

Van Buren clearly suffers from the loss of three major lumber mills and the single large pulp mill which formerly operated in the town.

The fiscal position of the town on August 11, 1937, the date on which state control was inaugurated, was as follows:

ASSETS	
Cash on hand	\$ 2,203.58
Money in closed banks	5,251.51
Tax deeds	1,536.45
Tax liens 1933 to 1936	28,602.93
Unpaid taxes 1931	4,706.58
“ “ 1932	4,955.56
“ “ 1933	1,620.44
“ “ 1934	2,537.53
“ “ 1935	3,168.79
“ “ 1936	6,024.60
“ “ 1937	52,155.37
Notes receivable	404.25
	\$123,568.21

⁶All this was brought out in a meeting held in Van Buren before the board voted to take over the town and which was attended by the town selectmen, a citizens' committee, a representative of the board, and the authors.

LIABILITIES

Accounts payable	\$59,443.09
Bank holiday checks	1,053.92
Accrued interest:	
On notes	11,796.04
On bonds	12,730.00
Notes payable	52,252.59
Bonds payable	85,000.00
Reserve for tax losses	
(by special vote)	2,548.88
1937 appropriation accounts	4,810.97
State of Maine state tax	11,000.00
Aroostook County tax	21,563.22
	\$262,218.71

The net debt⁷ of \$138,650.50 is approximately 14 per cent of the assessed valuation of the town (1936), and about \$29.37 per capita. The gross debt (which is worth some consideration since it seems likely that some of the assets will not be realized) of \$262,218.71 is approximately 26 per cent of the assessed valuation of the town (1936), and about \$55.54 per capita.

Examination of tax rates reveals that the Van Buren rates of the past decade have, for the most part, been above the state average of rates, the 1937 Van Buren rate being seventy mills. From 1932 to 1936 the assessed valuation of Van Buren dropped by more than 50 per cent—from \$2,075,041 to \$1,001,000; and the property tax levy fell from \$99,601 to \$62,263.⁸ This gives merely an impression of the situation. Information is not available for the sort of detailed analysis which is desirable.

A study of the levies and collections in Van Buren is likely to be misleading.

⁷Under article 34 of the Maine constitution the debt limit of the town is fixed at 5 per cent of the last regular valuation, or approximately \$50,000. This does not mean, however, that so much of the present debt as exceeds said debt limit is invalid, since the question is not whether the present debt exceeds the constitutional limit but whether the debt was legal at the time incurred, even though the valuation has subsequently dropped.

⁸These figures do not include the relatively minor supplementary assessments and levies. Consequently the 1936 property tax levy listed here is about \$2,000 less than that computed from the March 1937 town report.

In three of the years of the past decade (including the fiscal years ending in 1936 and 1937) collections have exceeded the respective levies of these three years! In a number of years, however, collection of back taxes has been an important factor. About 40 per cent of the collections in the fiscal year ending 1937 were of back taxes. Further, it is important to note that it is not possible to tell in just what measure taxes have been paid in the form of town orders. Certainly in some measure it has been the practice to employ persons in order that they may be able to pay their taxes.

While one cannot be certain as to just what the Van Buren collection figures mean, it is interesting to note a changed relation between these collections and potato prices. From 1923 to 1930 collections and potato prices, from year to year, moved in the same direction in six out of the seven years—that is, with the exception of the changes in these items from 1925 to 1926. From 1930 to 1936 collections and potato prices, from year to year, have never moved in the same direction. The influx of relief funds appears to have upset the relations between town finance and potato prosperity.⁹

The foregoing does not suggest a solution for Van Buren; that probably will not be found until there has been a thorough economic study of various avenues of rehabilitation or readjust-

ment. It is a difficult case of a town which has lost its industries.

CONCLUSION

What will be the results of the assumption of state control in Van Buren, Connor, Eastport, and St. Francis Plantation, as well as in the other municipalities which may be taken over, is as yet a matter of pure conjecture. Some of the members of the board, and others, cherish the hope and belief that by careful and far-sighted management and planning they will be able in time to effect a fiscal rehabilitation, so that in a few years the board may withdraw from the towns and return their governments to normal local control.

Among other things, the board hopes in the near future to effect a scaling down of the municipal debt, especially in the case of Van Buren, by collecting outstanding taxes and possibly by inducing the creditors to agree to some plan of liquidation of the town indebtedness—a plan of virtual bankruptcy proceedings. In the latter connection it is significant to note that, should the board choose to be arbitrary in the matter, it could virtually force the creditors of a town which it has taken over to agree to terms of debt payment dictated by it, for the reason that, under the act, the board may remain in charge of a town until such time as in its opinion "the financial affairs of said city, town, or plantation may be resumed under local control"; in other words, the board could "starve" the creditors into submission by remaining in charge of a town indefinitely, during which period of state control the creditors could bring no suits against either the board or its agents or against the municipality.

All the above, of course, is predicated on the assumption that the act creating the board is constitutional and will withstand a court test. As yet, the constitutionality of the act seems not

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⁹Prices used in this analysis are Aroostook County potato prices for the period 1923-1930 inclusive, and Maine prices after 1930. The price figures are for farm price per bushel on December 1st, except the 1935 price which is a season average and the 1936 price which is an estimate. The contrariness of these potato prices and Van Buren collections after 1930 is so great that the lack of uniformity in the potato price series could not be an explanation of it. The potato prices used in this analysis were taken from the Maine Crop and Livestock Review Series, published by the Maine State Department of Agriculture.

County Manager Government in Virginia

Two counties have adopted the manager plan under the state's optional act; a third is operating under a special manager charter.

CHARLES J. CALROW
Virginia State Planning Board

THE possibility of improving the county government system has engaged the attention of the general assembly of Virginia for some time.

In 1930 the general assembly by statute created a continuing commission for the purpose of drafting and recommending to the assembly legislation concerning the county governments of the state and further charged with the duty of analyzing and interpreting statistics and ascertaining facts as to county government. The commission, officially known as the commission on county government, has five members, all appointed by the governor for terms of four years and with provision for overlapping of membership. This commission, formerly headed by Dr. Robert H. Tucker, professor of economy and business administration of Washington and Lee University, is now headed by Dr. George W. Spicer, professor of political science of the University of Virginia.

The first result flowing from the labors of this commission was the adoption by the general assembly in 1932 of the optional county government act. Another result was the adoption by the assembly at the session just mentioned of an enabling act permitting the consolidation of two or more counties under a single governing unit.

The optional county government act is an enabling act permitting any county, by a majority vote, to adopt either of two forms of government. One of these forms is designated as the county

manager plan and the other as the county executive plan.

Under the county manager plan the board of supervisors, that is to say, the legislative and policy-making authority within the county, is elected by the voters of the county as a whole, and this board in turn elects as its executive agent a county manager. The subordinate officers of the county, save those that are exempted by constitutional provision, are in turn selected by the county manager and are directly responsible to him.

In the case of the county executive plan, the members of the board of supervisors are elected as with the county manager plan, and the county executive is chosen by this board, but the subordinate officials are also elected by the board and not appointed by the executive.

In the case of both of these plans, however, there are certain officers exempted from the provisions of the act: the judges of courts, the trial justices, the clerks of the county courts and the sheriffs, and, of course, all officers appointed by state departments.

One striking feature of the two optional plans is the provision for the election of the members of the boards of supervisors by the voters of the whole county rather than separately by magisterial districts as is provided under the older laws. Under the early constitutions and acts setting up the magisterial districts it was stipulated "that each

county should be laid off into districts as nearly equal as might be in territory and population." This may or may not have been done, but in any event, two facts are quite evident, one of which is that the lines of the magisterial districts have remained unchanged for long periods and the second is that populations have been changing and shifting so as to completely upset any former plans for basing the representation in the county legislative body on units of population. As will be shown later, minority control of the legislative body is quite possible under the older county government plan.

Of course, the chief feature of the two optional plans is the setting up of a central administrative head, either a county manager or a county executive, to guide the actions of subordinate county officials, coördinate their activities, and keep watch over their official behavior. Under the old plan such executive or administrative authority as is exercised is carried either by the chairman of the board of supervisors or divided among the supervisors, each one acting as an executive for the magisterial district he represents.

RECORD OF ADOPTION OF THE PLANS

Virginia now has three counties under the county manager and county executive forms of government, but only two of these under the provisions of the optional county government act.

Arlington County. The first county to adopt the county manager plan was Arlington, which operates under a special charter granted by the general assembly. This county presents a very special case, as physically it is actually more of a city or a collection of towns than a county. It will no doubt be recalled that Arlington County covers that area of Virginia which was first ceded to the federal government to form the District of Columbia and afterwards re-

turned to the state by an act of the federal Congress. It is non-rural in character and developed as an urban place of residence to the point that it is substantially a group of villages or small towns forming a suburban territory for Washington itself.

The form of government given to Arlington County is a mixture of city and county government, for example, the charter under which this government operates gives to the board of supervisors certain rights enjoyed by the councils of the independent cities, but with such reservations as to make the effective operation of the board as a city council somewhat doubtful.

The exception of Arlington County from the optional forms act produces other complications in that certain offices formerly elected under the old plan have to be retained, the people of Arlington County having no right to abolish these offices by a majority vote of the electorate of the county as is the case under the optional act.

Because of the exceptional conditions existing, the test of the manager plan in Arlington County does not furnish a fair criterion against which the governments of other counties may be checked.

Albemarle County. Another case is that of Albemarle County, a rural county situated on the eastern slopes of the Blue Ridge and running down into the Piedmont section, largely agricultural in its economy and having for its largest population center the city of Charlottesville, the seat of the University of Virginia. The reorganization of the government of this county under the optional act became legally effective on January 1, 1934, and actually effective during the March following. This county adopted the county executive plan. The present administrative set-up is efficient, and the absence of movements to upset the plan indicates general satisfaction with its operation.

Henrico County. The reorganization of the county government of Henrico County also became legally effective January 1, 1934, but, because of certain litigation, the new government did not actually begin to operate until some months later. This county lies to the east, north, and west of the city of Richmond. It surrounds all of that portion of Richmond, the major portion, lying north of the James River. It is a county of mixed population composition. In the areas immediately surrounding the city, the development has been very largely urban. In some sections suburban strip developments have extended into rural areas. In the extreme east it is a partly agricultural and partly urban-village type of development and in the west it is agricultural. The county, taken as a whole, is not an area, however, in which agriculture is a major interest. The population of this county having varied social and economic backgrounds, there are very naturally some differences of opinion as to the best form of local government for the county.

Two attempts have been made to overthrow the county manager plan and return to the older form. The elections held for this purpose have been won by the advocates of the county manager plan, the last by a majority showing a slight increase over the majority by which the plan was originally carried.

RECORD OF REJECTION OF THE PLANS

To date, five counties have held referenda on the adoption of one or the other of these optional plans, and for various reasons rejected them.

Princess Anne, Roanoke, Hanover, and Chesterfield Counties voted on the county executive plan, and Northampton County on the county manager plan. In some cases the movement for a change in government was tied to plans for ousting the then current official per-

sonnel, and under such conditions the desirability of the change was a minor factor in swaying the election.

The last county to vote on the question was Chesterfield County in an election on November 2, 1937. This election was not without its significances. It followed a comparatively lively campaign in which the advantages and disadvantages of the present and proposed forms of government were debated at great length and in some detail, and yet a campaign in which the proponents and opponents of the change were in agreement as to the high character of the existing officials of the county and the relatively high efficiency of the present administration. The argument was advanced by the opponents to the change that it was not necessary to make a wholesale change to obtain good government since they already had it, and they did not know what type of government they would have if the change was made. There is something to this point. The net result of the election was that the movement was defeated by a substantial majority of a very small total vote. Neither the proponents nor opponents had reason to be satisfied with the size of the vote cast.

SIGNIFICANCE OF FAILURES

The question may be asked as to whether the county manager or county executive form of government in Virginia has been a success. Certainly in so far as its adoption by a number of county units is concerned, it has not. The adoption over a period of five years of one or the other of the optional plans by only two out of ninety-nine counties cannot be called rapid progress, but this record may not have the significance that a hasty survey indicates. Other factors must be considered.

Virginia moves rather slowly in making changes in government. This is due somewhat to a natural conservatism,

somewhat to entrenched political interests, and very largely to an apathetic attitude of the people which lasts as long as there is no outstanding failure of government to meet their needs. This disinclination to change may be very largely due to the fact that the county governments have very little to do. They do not have the same amount of public business to conduct as do the governments of the independent cities or even the towns; so while the cities, with one notable exception, and towns have very generally accepted the scheme of manager or executive form of government, the counties have been slow to take advantage of the optional act because there was apparently little business and consequently very little call for a business government. It is quite possible that with the great demands being made on governments for certain social and economic services and the attempt of the state to make the local units participate in the support of such services, the need of some administrative authority will become more apparent in order that the services may be coördinated locally and handled in a businesslike way, and the day may come when a change will be welcomed.

One of the contributing factors to a delay in the adoption of the manager or executive form was the acceptance by the state of the responsibility for the construction and maintenance of county roads, now known as the secondary highway system. This was formerly the largest construction activity maintained by the counties and in a number of them represented the largest, and in all others the second largest, call for expenditure of county funds.

LESSONS FROM VIRGINIA'S EXPERIENCE

One of the lessons gained from the experience in Virginia is that neither of the two forms of county government permissible under the provisions of the

optional act is likely to prove cheaper than governments of the old form.

If this be true, how can it be said that government has been benefited by the change? The answer to this question may be found in the following statements:

(a) In Henrico County the *general tax levy* has been reduced so that while the county spent more on government and service costs, the charge against those who actually paid taxes was appreciably lightened. This was accomplished through a more efficient operation of the tax collecting system.

(b) In Albemarle County the increased expenditures were borne without increase in the general levy. This was also accomplished by a more efficient system of tax collection.

(c) In Arlington County, according to the figures furnished by the commission on county government, it has been possible to accomplish more and at the same time reduce the tax levies for all services from 10 to 17 per cent.

Seemingly, when measured in terms of tax rates, the counties operating under the two plans have cheaper governments even though they spend more. This is a condition perfectly understandable by the operator of a credit business who, by improving collection practices, is able to lay out more for service wages and supervisory salaries and still have greater profits.

It has been one of the mistakes made by the advocates of change in county government to the manager plan to claim that it gave a cheaper government. Within any given governmental unit it is extremely doubtful if this will ever work out. The very fact that a government of this type has been set up means that there are greater demands for a greater number of services and consequently the need for greater expenditures. The new form of government can render services which the old

could not and therein lies a probability that it will always cost more.

Another lesson gained is that if the new plans are to reach the highest state of efficiency, there must be consolidations of existing counties until a volume of population and a degree of assessable wealth needed to permit the thinning of the spread of the supervisory and other overhead costs down to lower ratios has been reached.

The county machinery set up in the optional act could just as well cover a county with population of one hundred thousand as one with only twenty-six thousand. No alterations in the basic plans would be required to make either of them applicable to much larger units than Albemarle or Henrico Counties. The only expansions needed to meet the needs of larger units would be in housing, equipment, and minor employees.

As the counties now stand, it will be utterly impossible to set up either plan in many of these units for the simple reason that the resources of these counties are so small that competent county officers could not be paid and consequently could not be secured.

Still another lesson is that there is need of an educational campaign to offset the claim that the new plans are less democratic than the old plan. As has been pointed out, the bases of representation under the old form of government are the magisterial districts whose borders have been frozen for many years while populations have been shifting. Equal representation on a population basis does not now exist, for example, in Henrico County in 1930 one district had a population of approximately 8700, one more than 10,000, one 6600 and one 4800; yet each of these districts was represented in the local governing body by one supervisor.

In the case of Albemarle County in 1930 there were two districts reported as having around 4400 persons, two

districts with 4700 persons, one district with approximately 5000 persons and one district with a population of only 1600 persons, and yet each of these districts was represented by a single supervisor.

The two cases cited are by no means the worst cases in the state. Surely there can be no scheme for apportioning representation in the ruling body of the county less democratic than that holding under the old plan.

The optional act took into consideration the possible need for some recognition of geography and at the same time the need for consideration of the population volume and provided under the optional forms of government for the election of the supervisors by the electors of the county as a whole, but at the same time required their selection by districts. This is a compromise arrangement which prevents a concentration of representation in the more populous centers, and at the same time permits the more populous centers to have a greater weight in selection.

A fourth lesson is that there is need for a further study of county government to determine whether or not it is possible to devise plans recognizing the potentialities lying in the exercise of governmental functions by levels. The present scheme calls for the exercise of certain functions by the state reaching directly down to the people, completely sidetracking the county government, for the exercise of certain state functions by county officials in whose choice the state has no say, and the exercise of control over county affairs by county governments in fields much more restricted than that in which the state holds sway. Study in the suggested field would be a venture of interest.

EDITOR'S NOTE.—Address before Forty-third Annual Conference on Government of National Municipal League, Rochester, New York, November 19, 1937.

Must Traffic Creep in City Streets?

An efficient transportation system is one of the modern challenges to our cities. The transportation department must not lag in its services to the community.

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EVER since the beginning of civilization man has banded together. The gregarious instinct has led him more and more toward increasingly larger and progressively fewer centers of population. In his efforts to work comfortably, efficiently, and economically, to live near his business, and to distribute the fruits of his labor, he has utilized every possible tool just as soon as it became available in order to achieve these ends. Most notable among these tools is transportation. And in the field of transportation, no element has contributed more than has the automobile. This is especially true regarding regional and local transportation. It has made tremendous contributions to our social and economic life. But in all this the automobile has not been the compelling force in centralization. It has merely served mankind as a valuable servant in his continuous movement toward the city and in his life within the city. The population trend from 1880, when 30 per cent of the people lived in the city, to 1930, when the movement had grown to 50 per cent, proves quite clearly the inexorableness of man's desire and points quite clearly toward the increasing importance of the city of tomorrow and its coördination with rural areas.

In serving mankind, the city must constantly survey its statutes and single out its weak links in order to give them the increased attention which they deserve. And more and more the city is

asking itself the bothersome question, "*Must traffic creep in our city streets?*" What is the matter with this important part of the city as a mechanism for living?

The American free-wheel transportation system has outgrown its swaddling clothes and, while it still evinces many growing pains, the time is ripe for a critical analysis of the system as a whole. Clear thinking at this stage of development should produce a recognition of the basic facts and bring about an orderly procedure which should make possible progress far beyond that permitted by the far too common "grewed-like-topsoy" principle.

It must be recognized at the outset that there is much more involved in transportation than accidents, which are primarily a symbol of inefficiency, and that the real problem goes right down to the roots of organized society and government.

The following are fundamentals of the traffic situation, which are frequently obscured by the mass of detailed complaints. They are believed to be particularly significant and to point the way toward continuing improvement:

Mobility is a function of organized society. No person can escape moving about, either as a motorist or as a pedestrian, in the existence of a normal life. Walking and riding are essential to business or recreation. The inexorableness of this fact makes movement

basic to civilization and thus subject to the same separate and distinct fundamental treatment as public health, water supply, sewage disposal, or fire protection. No city can hope to progress unless this function of mobility is kept on a par with all the other vital functions.

GOVERNMENT RESPONSIBILITY

Recognizing mobility as a function of organized society, society has delegated the responsibility of this to certain units of government. This is the accepted manner in which society acts in an organized way to protect itself and make progress; as, for example, the delegation of responsibility for fire protection and the subsequent establishment of fire departments. In like fashion, society must delegate traffic authority to government and establish a special unit to carry out the essential activities. Government, having accepted the responsibility for providing a traffic facility, must provide one which is acceptable and permits safe and expeditious travel. A failure to do this is in reality a failure of government to serve its citizens in an efficient manner.

The facility (for mobility) as a whole is composed of three integral parts—the personnel (the drivers), the rolling stock (the vehicles), and the roadbed (the street and highway). The facility must include the selection, training, and control of the personnel, the provision of adequate rolling stock, and the provision of a suitable roadbed. Thus, reduced to its elements, the free-wheel transportation system has much in common with the rail transportation system, many of the operating principles of which are directly applicable. It is essential that thereby a recognition of the fact that any facility for mobility or transportation must be considered as a *whole* and that each part must be considered in relation to the other parts. Thus, for example, the roadway must be considered in the light of the opera-

tors who are going to drive upon it and the vehicles which they will use.

The present traffic facility indicates a severe maladjustment between the three factors or elements, particularly an inability of the roadbed to absorb the potentials of the rolling stock and to compensate for the inherent weaknesses of the personnel. Any maladjustment in factors of mobility makes accidents and congestion, or "traffic inefficiency," inevitable. Eighty-mile cars cannot be operated upon fifteen-mile streets and forty-mile highways by human beings endowed with a strong desire for mobility without the strain of restraint being too much for human nature to stand. Even in the face of enforcement, which may bring temporary forced adjustment, or educational efforts, which must move slowly and which may never be able to overcome certain basic human desires for mobility, it is believed that human drivers will out-drive the facilities provided for their use, unless these facilities are designed properly for them and their vehicles, and provide a degree of mobility in keeping with their potentials. The essential transportation requirements of city life are so far ahead of the degree of mobility provided today that the mere pressure forces continuous errors.

The major portion of the accident situation is not caused by incompetency or malice upon the part of the personnel, but results from the inability of the personnel to make safe adjustments under existing maladjustments. Furthermore, all of the problems of congestion arise from these maladjustments. The desire for mobility cannot be permanently held in check by law enforcement, nor can people be educated out of their desire. As long as a strong maladjustment or differential exists between the factors, human beings will make errors of adjustment in their attempt to make the current traffic facil-

ity serve their needs. Temporary gains may be made, but in the long run, human nature and its inherent desires will win out and accidents and congestion will continue until the system has been properly balanced. While education and enforcement, the free-wheel counterpart of training and control, are essential, permanent improvement and progress can only come from a deeper consideration of the transportation system as a whole and a balancing of the factors.

HIGHWAYS AT FAULT

The true function of the roadbed is to carry traffic safely and efficiently and a failure to do this falls short of performing an acceptable service. To blame the natural inherent errors of the personnel for traffic inefficiency, is to have a wrong perspective. The facility is built for the operator with his money and must be of such character as to give him safe and expeditious movement. Even a highly trained railroad engineer would have just as many accidents as the average car operator if the transportation were to provide him with grade crossings every 250 feet, a free choice of numerous lanes (one of which would make possible a head-on collision) and constant interference from both sides. It has been adequately demonstrated in many localities that roadbeds in keeping with the requirements and potentials of the personnel and the rolling stock can be built. What is needed is to merely extend the principles which have already proved effective.

The operating performance of the roadway is not in the subsurface structure, but in the supersurface structure. Hardness and width are merely a foundation upon which to build an operating structure. In the earlier stages of the development of the free-wheel transportation system, the engineers made invaluable contributions through the development of hard surfaces, which literally took the automobile out of the

mud. This first battle has been won and the engineer must now turn his attention to the second and equally important problem of how to mould and design the roadway from the surface up so that it will deal with velocity and inherent human weaknesses.

The requirements of this facility must be of such character as to minimize the four basic traffic frictions. These four frictions in which are involved all of the basic causes of both accidents and congestion serve to clarify the situation and to provide clues upon which to base a sound engineering approach:

First—Medial Friction—which takes place between cars moving in opposite directions. This results in head-on collisions and sideswipes, and rear-end collisions, produced by drivers trying to turn back into line at the last minute in order to avoid a head-on collision. Through fear of collision, it materially reduces the relative speed of movement.

Second — Marginal Friction — which occurs along the moving edge of a moving traffic stream. This results in accidents from parked cars and vehicles and pedestrians attempting to get into and out of the moving stream. On many streets this friction renders the outside lane almost completely inoperative.

Third—Intersectional Friction—which takes place between cars moving in cross directions. This results in the typical intersectional accident. It automatically reduces the movement capacity of the street system by 65 per cent.

Fourth — Internal-stream Friction—which occurs between vehicles moving in the same direction, but at different speeds. This results in accidents due to attempts to pass and rear-end collisions due to those who find it impossible to pass and at the last minute are forced back into the slower line.

The design of the roadway should eliminate the necessity for the driver to make critical decisions. Human errors

are responsible for many accidents. Whenever possible, good design should make it unnecessary for the driver to make critical decisions. The more automatic the roadway is and the less judgments are required, the more efficient the facility will be. For example, a decision to make a left turn in the face of oncoming traffic represents a critical decision, especially if high speeds are involved. The decision is completely eliminated by the grade separation. A decision to overtake another vehicle by driving on the wrong side of the road in the face of oncoming traffic is eliminated by a raised medial strip which makes it impossible to get on the wrong side of the road.

ELIMINATE NEED OF DECISIONS

If critical decisions cannot be eliminated, then design should at least make it practically impossible for the driver to make an erroneous decision. Since all critical decisions cannot be physically removed at all places because of financial considerations, the next best thing which can be done by design is to at least make it practically impossible for the driver to make certain wrong decisions or judgments. For example, if a decision to make a left turn cannot be avoided by a grade separation or rotary traffic, the least that design should do is to provide turning islands so that the driver cannot make a wrong decision or judgment and cut the corner.

If critical decisions cannot be avoided or wrong decisions made practically impossible, then design should provide physical protection to reduce the severity of the consequences of an erroneous decision—or to compensate for any failure of personnel or rolling stock. There will be many places where full design treatment cannot be given economically or where corrective action alone can be applied for the present. Merely because the roadway surface permits of safe operation, however, assuming no human

or mechanical failures, does not mean that the traffic engineer has completed his job. Just because a driver commits an error is no reason why the design should require the forfeit of his life—and yet that is exactly what an unprotected bridge abutment, deep ditch, telephone pole, or tree does. Naturally, such potential killers should be eliminated, but if they cannot be, at least they should be protected with guard rails so that, for example, on approach to an underpass center post a wrong decision of the operator in getting in the middle of the road would not result in a direct crash, but merely in a slithering off a protective guard rail back into the correct and safe part of the roadway. The commonest present example of this is the guard rail on the outside of curves.

No matter how good the design as far as possibility of movement is concerned, if the situation permits of decision there will be wrong decisions and, if critical, they will be fatal. Thus, if the function of design is to provide safe movement, it must expect errors and make them as non-injurious as possible.

To accomplish in full the true functions of a completely acceptable facility, a true "limited way" is required. A real "limited way" eliminates the four traffic frictions. It is a way on which there is no cross traffic at any point, no direct access to abutting property, a physical division of opposing lanes of traffic, and accelerating and decelerating lanes for entering and leaving.

At this point the question may well be asked, "That is all very well, but, even granting all that a limited way will produce, will not its comparative costs prevent its extensive use?" The answer lies in the fact that its cost, measured in terms of the volume of traffic it is capable of carrying, is not as high as might be expected and that, naturally, it is not needed everywhere.

Important traffic flow should be concentrated upon a comparatively small number of "quality roadways" and not dispersed over large numbers of "quantity roadways." In the past, when the pressure of traffic accidents and congestion has piled up, there has been a tendency to attempt to reduce this pressure by spreading out the traffic through the widening of existing streets or the building of new ones. Such a procedure completely ignores the velocity and the permanent bottle neck of the intersection at grade. Right angle crossing decisions at even moderate velocity cannot be made safely by drivers and the process of having to stop street "A" while street "B" runs costs 50 per cent of capacity and stopping and starting inefficiencies cost another 15 per cent, leaving the intersection with only about 35 per cent capacity of the traffic which its two streets are capable of bringing to it. To build additional streets or to widen old ones, is merely to spread the accident and congestion virus—the intersection.

The better principle is to concentrate important traffic flows on "quality roadways" which have been designed to carry it safely and expeditiously.

City streets in business districts with intersections at grade cannot be expected to carry traffic at more than fifteen miles per hour nor at the rate of more than 35 per cent of capacity, and a certain number of accidents cannot be avoided. This conclusion, based on traffic studies, indicates that if society desires more than fifteen miles per hour and fewer accidents in its free-wheel transportation system, it will have to seek other basic designs. Even in most residential areas the speed of through traffic cannot rise above twenty, and that usually at an increased accident rate. Thus, the city streets in downtown areas can only constitute an acceptable facility for distribution of traffic which has been

brought to it on roadways with greater potential design characteristics.

Highways with nothing but plain flat all-weather surfaces and intersections at grade cannot be expected to carry traffic at more than thirty-five to forty miles per hour—and that at the cost of many serious accidents.

This conclusion, clearly demonstrated by numerous current examples, indicates that if society desires more than average speeds of thirty miles per hour, resort must be had to modern design which is capable of providing safer and more rapid transportation.

An efficient free-wheel transportation system should give to the inter-city regional highway safe average speeds of sixty miles per hour, to the metropolitan feeder roads forty-five miles per hour, and to the local city street distributing system twenty miles per hour, with about one-third of the present accidents. It should be obvious that free-wheel transportation is an important part of an intelligently planned civilization. The basic necessity for mobility has registered its import upon the present system and the symptoms of traffic inefficiency—accidents and congestion—grow stronger and stronger.

The efficacy and economy of good traffic design has been adequately demonstrated and there are numerous examples to forecast what may be accomplished if known methods are translated into applicable units and these units welded together into a complete system.

Traffic must creep in our city streets. To move at fifteen miles per hour, as we view velocity today, is certainly to creep. With city streets as we know them today, no more ever can be expected. Traffic may walk over metropolitan feeder routes. Speeds above thirty-five on mere hard surfaces can be had only at progressive accident rates. And traffic may run over parkways, free-

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The Civil Service in the Constitution

What fundamental changes in the constitution are necessary to improve the merit system and safeguard it from political assault?

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IN THE spring of 1938—the constitutional convention—the chairman of the civil service committee reports briefly as follows:

Mr. Chairman, your committee has had before it over a hundred proposals to amend article V, section 6—the civil service clause. Were we to adopt all the proposals offered it would make a formidable legislative document. A few will satisfy some, some will satisfy none, and most of them will disappoint everybody. Some of the proposals have merit, but belong in the field of legislation rather than the fundamental law. We have confined our deliberations to amendments affecting the principles of the merit system as a policy of government, leaving to the legislature the task of carrying out such basic principles. We must not burden the basic law with rigid, inflexible, and transitory practices and procedures which must necessarily have to change with experience. Any other course would, we believe, tend to divide the advocates of the merit system, weaken its administration in this state, and possibly result in complete rejection of the whole constitution at the polls.

This might conceivably be the turn that the fight for the “extension and improvement” of the civil service system in the State of New York may take near the end of the 1938 constitutional convention.

In spite of possible jeers of “moss-back,” “stand-patter,” and “reactionary,” those who are familiar with and have had much experience with the problems of the merit system in this

country will endorse such declaration as sound, practical advice.

No one would be so rash as to contend that the present provision for the merit system in the constitution is so perfect that no change whatever should be considered. All it provides is that:

Appointments and promotions in the civil service of the state, and of all the civil divisions thereof, including cities and villages, shall be made according to merit and fitness to be ascertained, so far as practicable, by examinations, which, so far as practicable, shall be competitive.

Tacked on to this simple declaration of principle, in a direct negation of the merit system, is this proviso:

Provided, however, any honorably discharged soldiers, sailors, marines, or nurses of the army, navy, or marine corps of the United States disabled in the actual performance of duty in any war, to an extent recognized by the United States Veterans' Bureau, who are citizens and residents of this state and were at the time of their entrance into the military or naval service of the United States, and whose disability exists at the time of his or her application for such appointment or promotion, shall be entitled to preference in appointment or promotion, without regard to their standing on any list from which such appointment or promotion may be made.

Originally, the civil service law operated without any constitutional guarantee. From 1883 to 1894 the new system muddled along—honored more in the breach of the principle of merit than in its observance. Indeed, within a few

years of its adoption, the civil service law was riddled with amendment after amendment taking the "teeth" out of it. This gay pastime reached its objective with the passage of the Black act of 1897, which made ducks and drakes of the system. A year's operation under that new venture was enough! The legislature repealed the "joker" and adopted the present law, sometimes referred to as the White law. Further experience with political patriots in the legislatures and recalcitrant civil service commissions compelled the civil service advocates to turn to the fundamental law for safeguarding the fruits of their long victorious fight against patronage.

In 1894 they were successful under the leadership of Joseph H. Choate and Elihu Root in getting through the constitutional convention the present merit system clause. Innocent as it appears at first blush, it has done wonders for New York State. Without it the civil service in New York would have been dragged deeply into the mire.

THE CONSTITUTIONAL PROVISION

What, if any, fundamental changes in the constitution are necessary to improve the merit system and safeguard it from political assault? That will be the question uppermost in the minds of the friends of the career service ideal. There is no way the basic law can guarantee integrity of administration, or wisdom in its application. To attempt to do more than provide for appointment and promotion after examination would carry us rather into the field of legislation. Where to draw the line between the fundamental provisions and legislative functions is not very difficult. We virtually have had it clearly defined for over forty years. The present provision has well served its purpose. This is not to say that there may not be some basic improvements made. But what shall they be?

It has been suggested that all ap-

pointments and promotions should be made after competitive examinations—not merely after non-competitive test or without any test as the constitution now permits. Theoretically all positions in the public service could be filled by competitive test of some kind. It is doubtful, however, viewing the problem realistically, whether it would be really practicable to do so under present conditions. Certainly we are not prepared to advocate competitive tests for elective offices under our party system of government. While conceivably we may be able to test the qualifications of all persons for public office—elective or appointive—nevertheless there is considerable doubt as to whether we should apply even non-competitive tests to every public office. We must be mindful that the civil service includes every office and position other than the military or naval service; that it includes the governor, judges of the highest court, the engineer, typist, legislator, school teacher, and laborer. Only the most rabid civil service reformer would have the temerity to suggest the extension of the examination system all the way to the executive, the legislators, and the highest judges. And he who would seriously advocate competitive tests as a means of their selection would be viewed as an extreme idealist. More than the requirement of examination—competitive wherever practicable, and non-competitive otherwise—can hardly be practical.

The second suggestion is that the civil service commission shall be the exclusive agency to determine the practicability of examination—competitive, non-competitive, or no examination at all. Under the present law both the legislature and the commission have concurrent jurisdiction in determining this, but the power of the legislature to except positions from competitive or non-competitive examination is extremely limited by judicial interpretation of the constitu-

tional mandate. Although the civil service commission has a rather wide discretion in the matter, it is also subject to judicial control, although not quite as restricted as the legislature.

It may be argued that it would be wise to vest in the civil service commission the exclusive determination of whether positions shall be filled by examination. In the light of experience and the judicial interpretation that has been placed on the present constitutional provision, however, requirement that the civil service commission shall be the exclusive agency to determine practicability of tests is actually of only academic importance.

SELECTION OF APPOINTEE

The third suggestion is that all appointments should be made in strict numerical order of standing on the eligible list. This appears to be the problem that will receive the most serious attention by the convention. It deserves careful consideration. The original civil service law provided for the appointment of the person standing highest on the list in every case. The courts, however, held this to be unconstitutional (*Balcom v. Mosher*, 163 N. Y. 32) on the ground that the appointing officer had a constitutional right of selection or choice; that the requirement of selection of the highest person virtually made the civil service commission the appointing power and deprived the head of a department of any right of choice. Thereafter the civil service rules provided for a selection of one out of the three highest on the list.

The theorists and the professional politicians strongly advocate the rule of "one of three," though for entirely and patently different reasons. Much can be said for the view of the political scientist and administrator of the necessity of a choice from among the better qualified. They point to the unreliability of the testing procedure of the

civil service commissions, and their inability to measure by examination certain intangible factors. Lack of space would prohibit any long discussion of the pros and cons of the problem. There is more rationalizing in advocacy of the rule of "one of three" than real reasoning.

Theoretically a fairly good case can be made out for the present rule of a choice, but actual practice and experience has driven the merit system advocates reluctantly to press for the selection of the highest person on the list as the only practical means of making the civil service non-political. As far back as Mayor Gaynor's time they persuaded him to issue an executive order requiring all his department heads to appoint and promote persons from the eligible lists in strict numerical order. This practice has been followed with rather few exceptions in New York City for over twenty-five years. The practice has been justified by results. It has been the greatest factor in building up the morale of the police and fire departments in New York City, and enhancing confidence in the integrity of the merit system. It has relieved the department heads of terrific outside pressure and harassment. It has worked most satisfactorily in some of the state departments that have voluntarily adopted the practice, as well as in other jurisdictions where it has been invoked. The probationary period is a better and fairer plan of "selection" than any more or less arbitrary selective process practiced or pretended by most appointing officials. The probationary period gives the appointing official more adequate opportunity to test the person's performance on the job. This can hardly be possible by a short interview or cursory examination of the person's "paper" record. The best and ablest officials still find it most difficult to withstand the political and personal

pressure that the rule of "one of three" invites. Experience has shown that the selection is prompted more often by outside influences than made by actual choice of the appointing official. Not overlooking the shortcomings of the civil service testing procedure, it would seem that the requirement of appointment of the first person on the list in every case would improve the system immeasurably and instill greater confidence in its integrity. It may be Hobson's choice, but it is safer and fairer than the present rule.

The Department of Civil Service is now one of the departments specifically provided for in the constitution. There is no constitutional provision for a civil service commission. The suggestion has been made that provision be made for a single personnel director, or at least for a permanent commission. Until we have had more experience with the various set-ups of the personnel agency in our state governments it would be better not to fasten any specific plan in the constitution. We have not yet demonstrated the ultimate efficacy of any one plan. We are still in an experimental stage. We may still trust to the legislature the determination of the composition of the personnel agency, at least until we have made up our minds as to the ideal organization.

There is much to be said for providing in the constitution for a continuing appropriation for the Department of Civil Service to insure adequacy of operating funds to enable the department to carry on its work effectively. Too often the commission has suffered at the hands of a recalcitrant legislature or has been the victim of short-sighted executives ill-disposed toward the merit principle.

Another problem that will undoubtedly receive great attention in the convention is the veteran preference provision. Disabled veterans are now entitled to preference in appointment

regardless of their standing on any list. The determination of injury in time of war as determined by the United States Veterans' Administration is conclusive on the commission. The civil service commission, however, must determine whether the disability exists at the time of appointment. Unfortunately, the term disability as used in the constitution does not mean disablement as popularly understood. One suffering from a minor infirmity or slight disability is as much entitled to the preference as one who has lost a limb or incurred other serious handicap. The present preference law has been the subject of much criticism and abuse. Elimination of the preference clause from the constitution would be highly advisable. Those for whom the preference was sought have now had ample time and opportunity to avail themselves of it. There is no longer need for it.

REMOVAL PROVISIONS

Proposals to include in the constitution some rigid scheme for protecting employees against unjust removal will be submitted in large number. They will range from right to review in the courts to the setting up of personnel boards to control or review disciplinary action. A satisfactory removal system has still to be developed. The constitution ought not be burdened with any rigid removal system. Separations from the service are peculiarly administrative problems rather than judicial. Their solution belongs rather to the legislature which must take cognizance of changing conditions in the administration of the civil service. The same may be said for most of the other proposals that may be made, such as advocacy of a specific classification or compensation plan for the state service, efficiency rating system, age limitations, restrictions of oral examinations, and similar matters which fall entirely in the province of legislation.

It would be well not to burden the constitution with these problems of enforcement and administration which have to depend so much on changing conditions in the service. What may be deemed to be practical and workable today may prove to be onerous and impractical at a later time. We should not have to resort to constitutional change every time there is an administrative problem to solve.

It would be the height of wisdom for the constitutional convention to make such changes in the civil service clause as are strictly essential for the establishment of a true merit system—accepting only such proposals as are basically necessary to obtain that objective—and leave to the legislature the consideration of the means of carrying out such fundamental law.

Advocates of the merit system should guard against too much tinkering with the civil service clause in the constitution. The danger is not that we may not get enough—but rather that we may get too much “reform” into the constitution. If the constitutional convention could confine itself to the two major questions of (1) method of appointment and promotion on a merit basis, and (2) elimination or modification of the veterans preference provision, it would be well enough. Other proposals unrelated to these two fundamental principles were better left for consideration by the legislature.

INVENTORY OF BALTIMORE'S TAX SAVINGS DEPARTMENT

(Continued from Page 142)

sold itself, and in many instances endeared itself, to many thousands of people in Baltimore. Although the Jack-

son regime will be terminated in 1938 these thousands would permit liquidation of the plan by a new administration only under tremendous protest. The fact that all employees in the department are under civil service will also help to maintain it as a permanent institution. There is little question but what five years of the tax savings department have entrenched it as a useful appendage of tax collecting operations. Students of municipal finance will do well to watch its progress. Cities having marked difficulties in tax collection might profit measurably by adopting the essential features of Baltimore's plan.

MUST TRAFFIC CREEP IN CITY STREETS?

(Continued from Page 157)

ways and limited ways. Average speeds of sixty are certainly not beyond the realm of human efforts, especially in view of the fact that design, in terms of functional velocity, has had so few applications thus far and certainly must be destined for continuing improvements.

The city of today must take stock and look forward to the city of tomorrow, so that its transportation department will not continue to lag behind all of its other services to mankind. And this problem, like all others, can only be properly dealt with through the delegation by society to government of the specific function of mobility. Certainly an efficient transportation system is one of the modern challenges to our cities and to our government.

EDITOR'S NOTE.—Address delivered before Forty-third National Conference on Government of National Municipal League, Rochester, New York, November 19, 1937.

Letters to the Editor

To the Editor of the NATIONAL MUNICIPAL
REVIEW:

Perhaps you do not realize the heartlessness of the inference made in your department entitled "Taxation and Finance," edited by Wade S. Smith, appearing in the REVIEW of January 1938.

On page 51 you will find the following: ". . . nothing has yet been done to correct the definitely damaging record of remitted penalties, postponed tax sales, and compromised taxes." The thought conveyed is that the action of the state legislature in easing the load on the taxpayers without funds was wrong. Further, that steps should be taken to put a strait-jacket on property tax collections again.

The home owner has been told that his home is his castle. He reads that he is the bulwark of the nation, that the more homes owned within a community, the better the community, that he is the mainstay of democracy.

While the man working alongside of him has summer vacations, hunting and fishing trips, weekend football parties, this home owner saves his money and purchases a home. The depression comes, the banks close, he is without income, his savings impounded, and yet Mr. Smith would advocate that the government, supposed to protect its citizens, should crack down and wipe out what has been truthfully called the bulwark of democracy—the home owner.

We are not concerned with those investing from a speculative angle in real estate. The men who enter the real estate business, or invest in such enterprises, take the same chances that any other person does investing in any other type of business. But the home owner's home should be his castle and should have the protection of the government.

In the state of Indiana we have remitted penalties, we have postponed tax sales, we have created a time payment plan for accumulated delinquencies, and we are proud of our record on behalf of the individual home owner and taxpayer. We would not have it otherwise, in spite of Mr. Smith. Further-

more we have found that as soon as these home owners were employed and had funds with which to pay taxes, they have done so.

It would be better if we would be willing to be considerate and more human, especially organizations that are presumed to be organized for the benefit and protection of the citizens and taxpayers of our nation.

FRANK J. MURRAY

Indiana League of Civic Associations, Inc.

No one who reads my column with any regularity can fail to know that I am a firm advocate of every measure for tax economy and spending efficiency which rests upon a demonstrably sound basis.

But tax and penalty concessions, as practised throughout the country in recent years, represent in general anything but a sound approach to the problem of relieving the temporarily distressed home owner. They were almost without exception born of political or economic expediency, devised hastily without thought as to their lasting influence, and all too often were administered as political benefits rather than as means of rehabilitating straitened taxpayers.

The few competent surveys which have been made of tax-delinquent property show pretty conclusively that the chief benefits of compromised taxes and penalties are to the large property owners and the speculators (see the REVIEW in 1933-34-35 for summaries of findings in Detroit, Atlantic City, Beaumont (Texas), Newark, and elsewhere). The fact that badly devised concessions benefited the little fellow as well as the big fellow is not the chief point; the important fact is that too often the big fellow, capable of paying, got away—and that I cannot help but regard as a damaging record, definitely requiring corrective legislation. It is certainly not considerate or humane to the little fellow, temporarily hard pressed for funds, to enact concessions which work without discrimination to allow those able to pay to escape or to pay on a compromise basis.

If Mr. Murray is interested in an elaboration

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Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

Council-Manager Plan Developments.—

The National League of Women Voters has announced that establishment of council-manager government heads the list of objectives for state legislation in 1938-1940. Proportional representation, permanent registration, and the short ballot are recommended as correlaries.

On February 4th, Harlingen, Texas, (12,124) put its new city manager charter into operation by the appointment and installation of V. J. Echelkamp as manager.

At a special town meeting held February 14th, Pittsfield, Maine, adopted the manager form of government by a vote of 204 to 149.

Excelsior Springs, Missouri, (4,565) on February 8th voted to retain the council-manager plan, in effect since 1922. The vote was 1,044 for the plan; 866 against.

Little Rock, Arkansas, (81,679) on February 14th defeated the "home rule" proposal which would have authorized the drafting of a council-manager charter. The vote was 5,082 to 1,814.

Des Moines, Iowa, (142,559) on February 12th defeated a council-manager proposal by approximately 23,000 to 16,000.

Voters in Battle Creek, Michigan, (43,573) may soon have an opportunity to vote on the adoption of the council-manager plan. The Civil Service Council, comprised of various service clubs in that city, is sponsoring petitions to place the question on the ballot. Battle Creek now has the commission form.

A Committee of Fifteen in Fort Collins,

Colorado, (11,489) is circulating petitions for an amendment to its city charter to secure the manager plan. It is expected that the amendment will be placed on the ballot for the city election of April 17th. Fort Collins is now operating under the commission plan.

Petitions are being circulated in the town of Brunswick, Maine, (6,144) calling for a vote on the manager plan at its town meeting.

A campaign for city manager government is being initiated in Madera, California, a city of about 5,000 population.

In Minneapolis, Minnesota, (464,356) the "Minneapolis United" organization has conducted several radio broadcasts favoring the council-manager plan.

According to the *Los Angeles Times* of February 25th, a new charter for that city will be before the council for consideration this summer so that it may be voted on by the electorate at the city election in April 1939. The city manager plan is already being discussed in this connection.

*

Office of Mayor Retained in Rochester.—

Republicans who gained control of the Rochester (New York) city council at the last election advocated abolition of the office of mayor. Under Democratic control the mayor, selected from members of the council, was paid a salary of \$5,000 in addition to his salary as councilman. Republicans, when they assumed control, elected one of their members mayor but reduced the extra salary to \$750.

A bill abolishing the title and conferring on the city manager the mayor's legal duties with respect to signing bonds and other legal papers was introduced in the legislature but defeated in the senate. The bill provides for the election of one of the councilmen as president of the council with no other duties except presiding over that body.

The present arrangement as operated under the last administration was attacked as inconsistent with the city manager plan in that the mayor had certain executive duties.

HAROLD W. SANFORD

Rochester, New York

*

New York City Finance Employees to Train for Careers.—The finance department of New York City offers a course of study for employees, designed to train career men in the department for promotion. Joseph D. McGoldrick, city comptroller, states that he is starting this training course "with a view to building up a department of career men in municipal finance. The lectures which comprise it will be presented in the main by our own experts, all of them in civil service and many of them city employees for the last twenty years."

*

Advanced Schooling for New York Sewage Works Operators.—The Municipal Training Institute of New York State, an adjunct of the State Conference of Mayors, is providing, as part of its educational efforts for municipal officials, advanced laboratory work for the operators of sewage treatment plants. The College of Engineering of Cornell University and the College of Engineering of New York University will present such courses of two weeks duration for and as a part of the general training program of the institute.

*

Cities Take Over PWA Housing Projects.—The National Association of Housing Officials reported in February that the United States Housing Authority has either signed leases or completed agreements to lease fourteen of the fifty-one housing projects it inherited from the Public Works Administration to local authorities, and is negotiating with other such authorities as to lease agreements.

The cities that have entered into the agreements, covering former PWA projects for which \$58,960,759 was allotted, are: Omaha, \$1,955,000; Buffalo, \$5,000,000; Memphis, \$3,400,000; Birmingham, \$2,500,000; New York (two projects), \$13,459,000 and \$4,219,000; Chicago (four projects), \$5,862,000, \$5,316,759, \$3,038,000, and \$1,725,000; Louisville, \$1,350,000; Boston, \$6,636,000; Cambridge, \$2,500,000; and Toledo, \$2,000,000.

Although the national housing program is

set up on a decentralized management plan, the NAHO reported major obstacles to immediate carrying out of the decentralization, such as need for state and municipal legislation, inadequate local finances, arrangements for payment for various city services, etc.

Twenty-four of the fifty-one PWA projects which were later turned over to the United States Housing Authority are occupied by tenants.

At least six other local governments have pledged appropriations for low-rent housing projects in the 1938 program under United States Housing Authority financing. They are Knoxville, Charleston (South Carolina), Philadelphia, New York, Bridgeport (Connecticut), and Allegheny County (Pennsylvania).

*

Do Representatives Represent?—About eleven years ago the NATIONAL MUNICIPAL REVIEW published the results of Professor B. A. Arneson's investigation to determine whether members of the Ohio general assembly voted in accord with the majority of their respective constituents.¹ Because of the Ohio constitutional requirement of a roll call on final passage, each legislator's vote was available for comparison with the votes of his constituents on constitutional amendments submitted by the general assembly and on other measures on which a referendum was obtained. Professor Arneson found that the legislators who voted against the proposals were supported 92 per cent of the time, while those who voted favorably (who had to be over one-half or three-fifths of the legislative total, and were usually more) were supported by a majority of their respective constituents only 41 per cent of the time. These statistics seemed to warrant the statement that "it is much more difficult to get the approval of the electorate on a proposal than it is to secure its acceptance by the legislature."

Believing that enough time had elapsed for a similar comparison of the measures referred since 1926, two senior students at Miami University² undertook the task. Their findings indicate that during the last decade there has been a marked reversal in the atti-

¹XVI NAT. MUN. REV. (December, 1927), 751-754.

²Wade Lathram and Edward O. Platell.

tude of the voters toward the work of their representatives. Instead of the representative who voted "no," it was the one voting "yes" who was more often upheld by his constituents. Following the procedure employed by Arneson, it was found that 60.25 per cent of the affirmative votes of representatives and only 24.13 per cent of the negative votes had been supported by majorities of their respective constituents. Further indicative of the voters' readiness for change, but impossible to include in the statistical comparison, were favorable popular votes on several initiated measures, constitutional and statutory.

Most of the measures in this later period were voted upon during the years of economic depression. The voters then are more willing to support proposed changes, whereas in more prosperous times their readiness for reform lags behind that of their representatives. It is also possible that the development of the radio has made easier the task of those seeking to educate the voters to the need of reform.

If these studies of the relation between the votes of representatives and their constituents in Ohio are supplemented by similar studies in other states, it may be possible to obtain rather dependable conclusions as to the stages in the business cycle during which success in referenda campaigns may be anticipated by supporters and opponents, respectively, of legislative enactments.

HOWARD WHITE

Miami University,
Oxford, Ohio

*

Pennsylvania Local Government Commission Continues Work.—Created in 1935 by the legislature of Pennsylvania to investigate the functions and costs of local government and the possibilities for simplification, the Pennsylvania Local Government Commission has entered upon a third year of investigation into the local governments of that state. Debt service is one of the problems that is being particularly attacked; election costs is another. The commission is assisted by the research facilities of the Pennsylvania Economy League.

*

State Merit System to Be Voted on by North Dakota.—A bill providing for a state civil service system has been drafted by the

North Dakota state employees, according to the Civil Service Assembly, and will be submitted to the voters at a primary election June 29, 1938. The bill provides for a civil service commission and a director of the state service.

*

Other Merit System Developments.—According to *Good Government*, organ of the National Civil Service Reform League, the March of Time has just been awarded a place on the honor roll of 1937 by the Civil Service Assembly of the United States and Canada for its popular portrayal of the evils of the spoils system through its moving picture, "The Spoils System." The picture was produced with the aid of the National Civil Service Reform League.

The Arkansas civil service law, effective July 1, 1937, is being attacked by Representative Houston of Heber Springs, who has asked the Governor to include its repeal in his expected call for a special session of the legislature.

A constitutional amendment which would place the merit system in the constitution has been introduced into the legislature of New Jersey. The state already enjoys the benefits of the merit system under legislative enactment.

*

Assistance for Needy Transients.—With laws in most states requiring two- and three-year residence for eligibility for relief, and with cities neglecting care of transient populations that total hundreds of thousands, according to the American Public Welfare Association, plans are being made in Washington for a federal program that would draw the migratory population under the social security act.

A bill recently introduced in Congress proposes resumption of federal assistance for needy transients, and would provide aid to states for such care, making it a part of the public assistance program.

*

National Community Improvement Appraisal.—As the first nation-wide effort to gather first-hand information from the local officials who actually operated the various federal emergency employment programs as to the results of these programs, officials of cities, counties, and states throughout the

nation have been requested to furnish statements of their experience, by the following ten coöperating organizations: American Institute of Architects, American Municipal Association, American Public Welfare Association, American Society of Planning Officials, National Aeronautic Association, National Education Association (department of adult education), National Recreation Association, United States Bureau of Public Roads, United States Conference of Mayors, and the Works Progress Administration.

This survey, designated the United States Community Improvement Appraisal, is first being conducted in each state on a state-wide basis, under the sponsorship of such organizations as the state leagues of municipalities, state planning commissions, state university, or state WPA office. State appraisals started during the first week in February. Midnight of March 8th has been set as the deadline for the filing of appraisal statements. Independent evaluation of the reports submitted by local officials will be made a week after the close for filing statements by committees of civic leaders appointed by the sponsoring state agencies. Then these state evaluations will be sent to Washington, to be summarized by a national committee selected by representatives of the ten national organizations listed above. The Works Progress Administration, by reason of its nation-wide organization, will act as coördinating agency wherever such aid is needed by state sponsors. It is expected that the full national summary of experience will be available for public use early in April.

Included in the purposes of the appraisal is the attempt to answer the following query: "What do these local officials feel their communities have gained or lost in public facilities and services, in the morale of the jobless, in community standards of living, in fiscal standing?"

*

British Ministry of Labour Provides Guide for Careers in Local Government.—

In the twenty-first of a choice of career series of pamphlets of the British Ministry of Labour, for use in secondary schools, careers in local government are dealt with, relating

particularly to administration, finance, public health, engineering, and education (other than direct teaching).

*

Public Administration Fellowships.—

Four educational institutions have announced their annual competitions for fellowships and scholarships in the field of public administration, according to the Civil Service Assembly.

In the new Graduate School of Public Administration at Harvard University, fifteen persons, to be known as Littauer fellows, will spend a year of study in several departments of that institution. The fellowships carry a stipend of \$1500 and are open to graduate students of public administration and persons now in government service.

The 1938-39 internship training program of the National Institute of Public Affairs has been enlarged from thirty to fifty available appointments.

Radcliffe College for the second year offers a training course in personnel administration, designed to prepare students for positions in college placement offices, industrial personnel departments, and government departments. The eleven months' program, beginning July 5th, provides courses in the departments of government, economics, sociology, and psychology, and field work in public and private agencies. Two fellowships of \$500 each are available to graduate students with experience.

The University of Minnesota is seeking qualified applicants who can obtain a leave of absence from present government positions for its in-service fellowships in public administration. Stipends vary in amount from \$1000 to \$1500. Candidates must have been graduated from college, had three years' experience in public service, and be under thirty-five years of age.

The state of Wisconsin has recently devised a unique plan for public service recruitment and training. A 1937 law provides that loans may be granted selected students at Wisconsin's educational institutions in return for a two-year apprenticeship, served when their college work is finished, in administrative offices of state or local governments. The Wisconsin Bureau of Personnel will direct the program which is scheduled to begin in July.

COUNTY AND TOWNSHIP
GOVERNMENT

Edited by Paul W. Wager

Tennessee County Unit Plan Held Invalid.—The notorious county unit plan, designed by Governor Gordon Browning and his advisors to curb the politically potent leader of Shelby County, was swept away on February 12, 1938, by a four-to-one decision of our supreme court. An ancillary lawsuit that challenged the right of six members of the general assembly to their seats because they had held state or county positions contrary to the spirit of the constitutional inhibition against holding more than one lucrative office at the same time, was unsuccessful. The court apparently would have held that the seats had been vacated were it not for the fact that, like all the other commonwealths, each house is the sole judge of the elections and qualifications of the members thereof, and the separation of powers doctrine prevailed.

Readers of the REVIEW will recall¹ that the county unit primary was but a portion of a carefully laid scheme (1) to cut the vote of Shelby County approximately in half by the provision that limited the maximum county unit vote of any county, irrespective of the total popular vote cast, to one-eighth of 1 per cent of the population. The court said: "The one-eighth of 1 per cent limitation on those counties which it reaches amounts to excluding some of the voters from their party's primary or of debasing the ballots of all the voters." Since full participation in the exercise of voting privileges cannot be deemed an evil, "... the limitation must therefore be regarded as an arbitrary abridgment of the rights of citizens of the counties affected and accordingly unconstitutional and void." Ample precedent for overthrowing the acts was found in the three Texas primary law cases decided by the United States Supreme Court² and equal protection clauses of Tennessee's constitution;³ (2) to enlarge the state board of elections and pack it with appointees

friendly to the governor, and thus to have the power to control every county election board; (3) provide for purging registration lists; (4) create a "crime commission" of three members with the alleged design to intimidate sheriffs, prosecutors, and local officials, and, being empowered to subpoena witnesses, to abrogate the constitutional guarantee against incriminating self-testimony, a weapon which if utilized to the utmost might blacken the reputation of any candidate or citizen in the state; and (5) effect a revision of the ouster law to eliminate jury trials in ouster suits, with its possible use directed against the Shelby County political organization.

It is conceded by lawyers that any sort of county unit scheme of elections is now out of the picture in Tennessee. There is no little speculation as to whether another special session will be called to eliminate the primary election statutes that now remain and to return to the old political convention. Suffice it to say that editorial attitudes throughout the state are relieved by this timely exercise of judicial review. It will also have the effect of bringing local issues to the forefront in the various counties seeking reform legislation, because the progressive forces would undoubtedly have been compelled to hold their plans in abeyance during the battle against the administration this summer. Had the plan succeeded, Tennessee state and local politics would have been cast into the maelstrom and the results could not have been foreseen. The fight is not over by any means, but it may be possible to separate state and county issues in the coming primaries on August 4th.

F. W. PRESCOTT

University of Chattanooga

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Reorganization of Milwaukee County

Recommended.—Milwaukee County is absorbed in the consideration of the important and widely discussed "Jacobs Report" (*Report on Revision of Classification and Compensation Plans Including Summary Recommendations on Administrative Coordination and Simplification*), prepared by J. L. Jacobs and Company of Chicago and the Milwaukee County Civil Service Commission. Had the proposed changes been made at the beginning of the current fiscal year, the economies would have meant "direct and immediate" reduc-

¹See December 1937 National Municipal Review, p. 604.

²273 U. S. 536; 286 U. S. 73; 295 U. S. 45.

³Art. I, sec. 8; art. XI, sec. 8.

tions of \$1,630,000 from the departmental estimates in the 1938 budget and \$2,265,000 in subsequent budgets, according to the report. But this speedy action did not materialize. It now looks as if the report may be badly garbled but still precipitate enough discussion to bring about substantial revision in administrative organization and classification and compensation plans. Several of the recommendations are pending before the county board at the time of this writing.

With regard to personnel, the report presents a county-wide plan of uniform classification to bring up to date the original plan of 1917, into which anomalies and inequities have crept during twenty years of phenomenal governmental growth. It points out the need of continuous administration of the new classification by an enlarged civil service staff, to which would be added the present personnel work of county institutions. Recommendations are also made for in-service training and extension of the use of service ratings.

With regard to administrative coordination, the report recommends a unified department of public welfare, consolidating the services of a half-dozen agencies. This would provide an integrated program of public assistance, more effective and economical administration of county welfare units, and a reduction of investigational services through the elimination of overlapping. It is also recommended that central purchasing be extended to all county purchases and that a definite central purchasing organization be set up under the manager of county institutions. Another proposal calls for the "actual coordination and integration of related park administrative services" and the elimination of overlapping and overstaffing. Other suggestions look to changes in county institutions and to a special study of the advisability of central medical direction under the manager of such institutions.

The preliminary or memorandum report called these recommendations "of a conservative character" covering only "the more obvious and pressing changes and improvements," which presumably could be made without statutory amendment or new legislation. But in addition to the obstacles mentioned above, it now appears, according to the county corporation counsel, that relatively simple proposals for administrative coordination

must wait upon the approval of the state legislature.

E. L. JOHNSON

University of Wisconsin

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Missouri County Planning.—The Crawford County Planning Board has been outstanding, particularly in road and financial planning, among the thirty county planning boards in Missouri. All of them were established in 1935.

After its thirty-six members had ascertained local sentiment in each section of the county, the board recommended to the county court (i.e., Missouri county board) that the road and bridge tax be increased from ten to twenty-five cents on one hundred dollars assessed valuation. Assured of popular support, the court immediately voted the higher rate.

The second recommendation proposed the abolition of small road districts, with part-time overseers, and the establishment of a county unit plan with a full-time road crew. The court attempted this recommendation in principle, but established two districts instead of one. The new districts correspond with the election districts of the associate judges.

The third road recommendation was to purchase adequate machinery and equipment. New machinery was purchased, and has been in use since October 1937. Consequently, Crawford County is developing an excellent road program and setting an example for other Missouri counties.

Regarding financial planning, the county board proposed the refunding, by 4 per cent bonds, of \$80,000 of unpaid "protested" county warrants. This recommendation was followed, placing the county upon a cash basis and in a sound condition financially.

Being members of the board, the county judges have found its deliberations quite helpful in clarifying public issues. They now regularly refer all major problems to it, making the board an advisory policy-determining body. The board meets monthly.

The success of the Crawford County Planning Board is due to several factors. Its organization was due principally to the Missouri State Planning Board and the WPA road program. It was fortunate from the outset in having the active cooperation of the county

court and other officials, as well as the public generally. It has also had able leadership, its chairman being an intelligent, public-spirited, retired business man.

WILLIAM L. BRADSHAW

University of Missouri

Consolidation Amendment in Kentucky Defeated.—The proposed constitutional amendment for the consolidation of local governmental units in Kentucky failed in the November election by a majority of approximately ten to one and its failure has carried with it the almost complete abandonment of the program for county reorganization in the state. Apparently the legislative council, which was proposing such a program, has lost interest as a result of the election. The county in Kentucky remains the dark continent of American politics and there appears to be no immediate possibility of changing the situation.

J. W. MANNING

University of Kentucky

Virginia County Officers Prepare for Legislation.—For the past two months Virginia county officers have busied themselves with an eye on the state legislature, now in session.

First, the League of Virginia Counties assembled in convention with representatives from half of the counties, mapped out a legislative program designed to preserve local self-government, and planned by bulletins and by sub-committees visiting Richmond to bring their program to the general assembly's attention. Among the interesting items in the fourteen-point program are: (1) opposition to the present plan of consolidating county schools; (2) an amendment to secondary road law to permit any county to vote itself out of the state system (this is a mere declaration of independence which does not necessarily express dissatisfaction with state control); (3) to continue poll tax (there have been proposals recently for abolishing this tax and Governor Price recommends that it be reduced from \$1.50 to \$1.00 per capita); (4) that self-government be given the counties comparable to that given cities and towns; (5) that county boards of supervisors be allowed to appoint the county school boards.

Second, the executive committee of the Virginia Sheriffs' Association in recent meeting took a progressive attitude toward the proposals of the De Vine commission for reform of the county jail system. The sheriffs approve the following: (1) substitute salary for fee method of compensating sheriffs and sergeants; (2) substitute regional farms for local jails as places for serving sentence; (3) permit use of indeterminate sentence, probation, and installment payment of fines; (4) extend use of bail and personal recognizance.

In the third place, I should like to insert a note for the attention of those interested in following the structural reforms of county government. Three local bills have just passed the lower house of the general assembly. Two of these bills concern Chesterfield County; one would allow the board of supervisors to name an executive secretary, the other would limit elections on county government to not over one in every four years. (It will be remembered that Chesterfield defeated the county executive plan of government in an election held last year.) The other bill pertains to Henrico County. It would substitute the election of supervisors by districts for the present plan of election at large. The opinion has been expressed that this is an effort to defeat in the legislature the manager government, a thing that the opponents of the plan have not been able to do at the polls.

JAMES E. PATE

College of William and Mary

Westchester County's New Charter Disturbs Villages.—Fearing that the reorganization of the central government of Westchester County, New York, under its new charter will jeopardize the special privileges and home rule powers of villages, Ossining and Peekskill are considering the adoption of city charters to protect their entities. As cities each of these places would be assured of at least one member on the county board of supervisors; as villages they do not have distinct representation. Should the size of the board be reduced there is no certainty that even the towns of which they are a part would have representation. Probably no reduction in the size of the board would be so great as to deprive an existing city of direct representation.

Westchester Asks Enabling Act for Town Managers.

According to the *New York Times* of February 5th, a proposed bill giving townships in Westchester County, New York, the privilege of installing town managers to operate their governments has been endorsed by the county board of supervisors and sent to the legislature for adoption. The permissive measure would affect only towns having more than 10,000 population and \$40,000,000 assessed valuation and containing no incorporated village. A manager would have many of the powers now vested in the town supervisor and department heads.

*

Elimination of Certain County Offices in New York City Proposed.

A bill has been introduced in the New York legislature to abolish several county offices in New York City. The proposed law would give New York City the power by local law to abolish "any or all offices" of the commissioner of records of the city court, the commissioner of records of the surrogate's court of New York County, and counsel and assistant counsel to county offices and transfer the functions of such offices to city offices, the courts, or county clerks.

TAXATION AND FINANCE

Edited by Wade S. Smith

Sales Tax Voted in Philadelphia.

After months of controversy and several weeks of bitter debate, the Philadelphia city council on February 8th enacted by a vote of fifteen to seven a 2 per cent city sales tax. The bill had been passed by a similar vote earlier and vetoed by Mayor Wilson.

Immediately on the passage of the ordinance over the Mayor's veto, taxpayers' suits were instituted by Mayor and Mrs. Wilson and by eight mid-city stores. On March 1st, the day on which the tax was to have gone into effect, Common Pleas Court No. 1 dismissed both suits, ruling that the tax ordinance violated no state law. It is expected that appeals to the Supreme Court will be filed immediately.

Widespread unemployment of retail clerks and loss to the city of many millions of dol-

lars in retail trade are among the results forecast by the sales tax opponents.

Other bills originally passed by the council and vetoed by the mayor, but abandoned when the sales tax was enacted over the mayor's veto, included measures for a four-mill tax on mutual insurance and savings fund companies and a two-cents-per-quart tax on lubricating oil sold for resale in the city.

*

Princeton Survey Proposes New Jersey Fiscal Reform.

After two years of study, the Princeton Local Government Survey had introduced in the New Jersey state legislature on February 9th four bills calling for comprehensive state control of local finances under a proposed local government board. Dr. Harold W. Dodds, president of Princeton University and former president of the National Municipal League, headed the survey, which operated without expense to the state.

The local government board proposed in the first bill would have broad powers of supervision, guidance, and control of municipal finance, budgetary methods, and municipal accounting. To it would be transferred all powers and duties now exercised by the state auditor, including supervision of local budgets, local audits, local reporting, and guidance and advice on financial policy. It would also take over the present functions of the Municipal Finance Commission (the agency through which affairs of defaulting local units have been rehabilitated), the State Funding Commission, and the funding commission for school purposes.

A second bill vests in the proposed board power to prescribe the form and arrangement of local budgets, while a third measure replaces the present power of the state auditor over accounting, reporting, and auditing, transferring it to the board. The fourth bill would give the board authority to impose special restraints on units showing definite signs of unsound financial practices and suspend local borrowing power and prevent local tax increases.

At present state supervision of local finances is centralized and developed in New Jersey to an extent perhaps greater than in any other part of the country. Although relatively few New Jersey units publish annual reports, the annual audits prepared under the supervision or by the staff of State Auditor

Walter Darby have established a well deserved reputation for completeness and clarity and are readily available for the use of interested bodies. In recent years, through the Municipal Finance Commission, the state has exerted direct supervision over local finances in cases where local units became insolvent and defaulted on their obligations, while the 1936 budget law (which was modified early in 1937 to provide a "breathing spell" before it became effective in all particulars) set up perhaps the most rigid provisions for so-called cash basis operations to be found in any general statutes in the country. The higher degree of centralization and extension of state supervision now proposed is not therefore a new development in New Jersey, but rather the logical extension of already well established practices.

*

Pennsylvania Budget System Completed.

—With the mailing of official budget forms to boroughs and second-class townships early this year, the Pennsylvania Department of Internal Affairs completed the introduction of a thorough-going budget system for every unit of local government in the commonwealth. Larger units were first brought under the system last year, with participation by the boroughs and smaller townships optional.

Pennsylvania law now provides a standard, business-like procedure for the handling of public funds by its 5,280 local governments, which spend altogether approximately \$500,000,000 of public funds annually. Supervision of the budgeting and reporting of 2,694 units, including third-class cities, counties, county institution districts, boroughs, and townships, comes under the jurisdiction of the Department of Internal Affairs. School districts, numbering 2,582, are under the supervision of the Department of Public Instruction. The three largest cities of the state—Philadelphia, Pittsburgh, and Scranton—operate under special acts or charters, each of which provides in detail for annual budget procedure. The financial requirements of Philadelphia County are taken care of by the city in connection with the city budget.

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There are today a total of 22,792 "primary" assessment districts—districts which actually make assessments either for themselves alone

or for overlapping units—according to reports of the National Association of Assessing Officers which has recently made a study of assessment methods on a nation-wide scale. The number of primary assessment districts ranged from three in Delaware to 2,617 in Minnesota. Study of seventy-one New York towns showed cost of assessment per \$1,000 valuation ranged from about fifty-four cents in towns with less than \$500,000 assessed valuation down to eight cents for towns with assessed valuations of more than \$5,000,000.

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Phoenix, Arizona, claims the distinction of being the first city to "break" the market price on parking meters. According to City Manager Houston Walsh, the first effort brought identical bids of around \$58 per meter, but a second invitation for bids six months later produced a price of \$37.50 which the city accepted. Installation of several hundred meters was completed with January the first full month of operation, and indications are that parking revenues will pay for the meters well before the end of the first year with a net return to the city thereafter of around \$75,000 annually. Parking meters are widely used in the west and southwest, and are infrequently found in the eastern part of the country.

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Local Government Finances to be Discussed.—A National Conference on Municipal Accounting and Finance, under the auspices of the American Institute of Accountants, will be held on March 28th and 29th, at the Stevens Hotel, Chicago. Ten other organizations are coöperating in arrangements for the conference—Municipal Finance Officers Association, National Committee on Municipal Accounting, National Municipal League, Tax Policy League, National Association of Cost Accountants, Investment Bankers Association, committee on better audits of the Surety Association of America, Illinois Bar Association, Illinois Chamber of Commerce, and the Illinois State Society of Certified Public Accountants.

Municipal cost accounting, the demand for which is growing in connection with expenditures of local government, installation of modern accounting systems in municipal offices, and the relation of accurate account-

ing reports to municipal credit will be three important topics. There will also be discussion devoted to the selection of personnel for municipal accounting offices, theory and practice in municipal accounting, and the application of sound accounting principles to the keeping of the income and disbursement records of city and town governments.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

Norris, Tennessee, Uses P. R.—The Tennessee Valley Authority town of Norris, Tennessee, held its second P. R. election February 1, 1938, at which time the residents elected nine persons from sixteen candidates to serve on the advisory town council for the forthcoming year.

Four members of the old council ran for a second term, and three were re-elected. Nominations were made by petition, signed by ten qualified voters for each candidate. From a total population of approximately a thousand persons, 445 votes were polled—seventy-five more than in the previous election—and only three ballots were ruled invalid because improperly marked. The ballot count was conducted under the rules of the Hare system with the single transferable vote. Two candidates with a surplus of votes were elected on the first count, and the surplus ballots were transferred on a proportional basis in accordance with the expressions of secondary choice by the whole group of ballots from which the transfer was made.

An analysis of the ballot count reveals several interesting facts. The eight candidates ranking highest in number of first-choice votes were all finally elected; while the ninth ranking candidate on the first count was eventually defeated in favor of the tenth high man, who was the last candidate elected. The candidate ranking lowest in number of first-choice votes, because of strong secondary support with ballots transferred to him from the candidate with the most surplus votes (these two were supported in order by a strongly organized group of voters) and others subsequently defeated, was the last candidate eliminated. Only five ballots became exhausted up until the final transfer from the last candidate defeated, most

voters having expressed their preference for all candidates in the race.

Provision is made for the filling of vacancies on the council by a recount of the ballots which elected the vacating member.

The P. R. system was adopted in Norris by a vote of 267 to 28, in a referendum held December 9, 1936. The first election on January 29, 1937, drew a field of 22 candidates and polled 370 votes, with four ballots marked improperly.

Although Norris is not an incorporated municipality, but is owned and controlled entirely by the Tennessee Valley Authority through a manager appointed by and responsible to the TVA, the advisory council wields considerable influence over the affairs of the community and the policies of town management by consent of the authority's board of directors. The management function, in addition to the usual municipal services, includes the operation of electric and water utilities, certain essential commercial services (a drug store, for example), and maintenance and rental of all real estate in the town. Since dwelling rentals are the chief source of revenue for the town, there being none of the usual property, personal, or license taxes, the rental rate schedule and dependent budget of town operations are important items of negotiation between the council and the management.

During the first year since its adoption, P. R. has well proven its ability to assure the election of a town council in Norris which adequately represents the interests of all persons and groups in the community.

CHARLES M. STEPHENSON

Social and Economic Research Division
Tennessee Valley Authority

A Neglected Field for Publicity.—There was a time in many, many communities when counting votes after an election was pure farce. There are still some communities, or rather certain voting precincts in these communities, where the election figures turned in are not influenced in the least by the marking of the ballots by the voters of these precincts. It is true, however, that there has been such improvement in election procedure during the last forty years and such a growth of public indignation against election frauds that it is fair to say that votes are cast and counted

honestly and with reasonable efficiency in most American communities today. I personally can vouch for the accuracy of this statement as regards Toledo elections since 1918.

Unfortunately, honesty and efficiency are not enough if the general public still believes that vote counting is a mystical ceremony that is consummated only behind closed doors by the high priests of practical politics who perform miracles with election returns when the occasion demands miracles. Honest, efficient election administrators should face the fact that they must sell their performance to the general public if it is to receive the approbation which it merits, and if the voters of this country are to have confidence in the workings of democracy at a time when the processes of democratic government are being attacked so fiercely and so cleverly.

William E. Galvin had had twenty-five years' experience in handling election returns and had been director of two P. R. counts in Toledo before he was taken over by Uncle Sam as assistant director of the unemployment census. Perhaps John Biggers figured that any one who could conduct a P. R. count without previous experience with P. R., and sell it to the people as Galvin did in Toledo in 1935, would find the job of tabulating the unemployment census just a pleasant diversion for the Christmas holidays.

Bill Galvin's equipment for this sort of task is best symbolized by his chins, all three of them. The first one is a fighting chin. The director of an election count must be ready to fight if the workers attempt to sabotage the procedure, or if and when the pressure groups attempt to interfere with what is obviously a tabulating job that must be performed with mechanical precision if it is to be of any value.

Galvin's second chin is pure Irish humor, making him an after-dinner speaker of note. The third chin is the inevitable consequence of many dinner engagements working in complete harmony with an excellent digestive apparatus. This chin serves as a parenthesis to keep the fighting chin and the humor chin in constant liaison.

It is typical of Mr. Galvin that when he was appointed director of the first Toledo P. R. count in 1935 he envisaged the job as one of selling the single transferable vote system to the citizens of Toledo; conse-

quently, he made every arrangement he could to facilitate public interest in and direct observation of the counting process. As a result of these arrangements all three daily papers published the complete returns of the first count precinct by precinct, carried the accumulating total for each candidate in each edition (issued approximately every two hours during the count), and then printed all the transfer data step by step as each "failing candidate" was dropped from the bottom of the list and his ballots were transferred to the "continuing candidates." The daily press of Toledo is well disposed toward P. R. elections for this city if for no other reason than that this type of election prolongs the period of election editions for almost a week.

The Toledo City Manager League has decided to publish a diagram and explanatory description of the P. R. count for free distribution at the next city election. Such a diagram and explanation of the route taken by each ballot from the numbering machine to the "designation table," to the "tabulation table," to the "first breakdown table," and to the "ballot bin" for each individual candidate makes it very clear as to just how this system *double-checks* the tabulation of every vote under the direct gaze of the candidates themselves (or their personal representatives) and provides for an immediate recount of the ballots from any precinct when the totals from that precinct do not check with the totals on the tally sheets and the accumulated totals of each candidate's ballot-numbering stamp, also with the accumulated totals of the tabulating machines at the rear of the room.

So great has been the public interest in the P. R. counting procedure in Toledo that the Waldorf Hotel management, who charged four hundred dollars for the use of their main dining room for the count in 1935, reduced this charge to seventy-five dollars in 1937 because they found it to be good business to have so many people adjacent to their bar and to their other dining rooms for several days.

Mr. Galvin is not an advocate of any particular method of election. He just administers the procedure for all the different methods and happens to be an honest public servant. "Let the people see how P. R. works," he says. "Then if they like it they can keep it. If they dislike it they can

change it. They can only decide intelligently as to any method of election by seeing it work."

"There is some merit," says Galvin, "in the farmer's reply when he was asked if he believed in baptism? 'Believe in it!' replied the farmer, 'certainly! I've seen it done!'"

When the honest and efficient election officials publicize their work as do some of the other branches of government it will then be evident that those communities that do not facilitate public inspection of election procedures are those that think it advisable to conceal inefficiency and crookedness from the public eye.

O. GARFIELD JONES

University of Toledo, Ohio

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

Department of Budget and Research of Los Angeles County.—This department was established July 29, 1936. The director, H. F. Scoville, was for several years prior to this date the director of the Los Angeles County Bureau of Efficiency and most of the members of the staff of the new department were formerly members of the staff of the Bureau of Efficiency.

Budgetary improvement in the county was largely the result of a recommendation made by the department to the board of supervisors with the coöperation of the county auditor. This resulted in an amendment to the ordinance by the terms of which the board of supervisors will consider budget requests of departments in one rather than in two series of hearings, as formerly. To accomplish this improvement, the budget preparation period has been moved ahead thirty days. It is expected that, under the new procedure, what has amounted to an almost complete re-writing of the budget after public hearings will be eliminated.

The first of this year the department established a new systems and procedures division. The two other divisions of the department are budget and research. The systems and procedures division will make investigations of departmental organization and operations, and will deal with such subjects as expense con-

trol, documentary procedures, office output, physical outlays, office appliances, etc. The senior systems investigator, Pierce Fazel, came from a responsible position in the county auditor's office. The six other members of the staff of this division were selected by a civil service examination, which was open to any one in the United States, and the men appointed came from several states.

Major surveys which have recently been completed include the following:

A Plan for the Care of Indigent Single Men in Los Angeles County.—This report outlined present methods of providing relief to indigent single men and recommended changes which if adopted and put into effect would save the county an estimated \$100,000 annually.

The County Health Department.—This survey was sponsored by the department of budget and research and directed by Dr. Carl E. Buck, field director of the American Public Health Association.

Tuberculosis Control Program in Los Angeles County.—This survey sponsored by the department was also made by an outside health consultant.

Work of Humane Societies.—A study of the functions performed for the county by the several humane societies in the area resulted in the recommendation that the county establish a dog pound department.

Although only these four reports have been published in the past year more than nine hundred communications outlining findings and making recommendations on administrative problems have been submitted to the county board of supervisors during this period.

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Minneapolis Taxpayers Association.—At the beginning of 1937 the Minneapolis Board of Public Welfare requested a loan of one of the regular members of the staff of the association, C. C. Moe, to study the operations of the departments under the board's jurisdiction. Mr. Moe, in collaboration with another investigator employed by the Board of Public Welfare, undertook surveys of the general hospital, the workhouse, and the relief department. It is expected that as a result of these investigations a reorganization of all departments under the Board of Public Welfare will be affected, which will result in better administration and more efficiency.

The Minnesota state legislature held regular and special sessions during 1937 and devoted more of its energies to tax matters than any other legislature in the state's history. All of the bills dealing with taxation were analyzed by the association's staff and counsel as to their effect on Minneapolis and Minneapolis taxpayers. The association assumed the position that local matters which could be handled by amendment to the Minneapolis home rule charter should be so handled. This argument led to the defeat of measures which would have increased the mill levies of the Minneapolis Park Board and School Board.

In June the Minneapolis city council submitted to vote of the people three proposed charter amendments. These amendments would have permitted additional levies for parks, schools, and the police department. In the campaign against the adoption of these amendments, the Taxpayers Association assumed the leading role and the manager of the association was named general chairman of the "tax amendment opposition." The amendments were decisively defeated.

The monthly bulletin of the association, *The Taxpayer*, was published throughout the year and given a wide distribution in Minneapolis. The advisory board of the association held quarterly meetings which were addressed by prominent state and city officials.

During the year George R. Martin, manager of the association since 1934, resigned and Mr. George Bestrom, at the time assistant manager, was appointed to succeed him.

Association of Omaha Taxpayers, Inc.—

The association's activities during 1937 may be summarized as follows:

Legislation.—The association sponsored, in conjunction with the Nebraska State Federation of Taxpayers' Leagues, bills setting up budget and uniform accounting laws for counties. These were passed by the legislature and are now in operation. The budget law requires budgets with income and expenditures in balance. Expenditures in excess of the amounts set out in the budget become invalid claims, and the officials responsible for such excessive expenditures are guilty of a misdemeanor—subject to fine and removal from office. The uniform accounting law requires an annual audit of county clerks and county treasurers by the state auditor's office.

The association actively sponsored a bill

providing for the recall of county officials. This measure was conservatively drawn—petitions for a recall election requiring the signatures of 25 per cent of the number voting for the successful candidate for governor at the last election—and will seldom be invoked. The association feels, however, that its enactment will have a salutary effect. The association successfully opposed bills providing for increasing the pensions of Omaha policemen and firemen on the ground that this matter could best be determined by the people of Omaha under their home rule charter.

Pensions.—The association was responsible for the preparation of an actuarial report on the cost of the present pension system and the drafting of a new pension plan for Omaha policemen and firemen. This work was undertaken by E. F. Estes, an actuary of Lincoln, Nebraska.

Delinquent Taxes.—Surveys of delinquent taxes, especially delinquent personal property taxes, have been prepared and published. These studies are responsible for a tax collection campaign which is now being initiated.

Price Investigation.—Much data has been secured to show the prices paid for meat, coal, paint, etc., by the different political units in this area. This information supplied the basis for a number of newspaper articles.

Tax Levies.—Studies of levies needed for the proper functioning of all governmental units in Douglas County have been made. A proposal to increase the county bond sinking fund levy was successfully opposed.

Homestead Exemption.—The proposal to exempt homesteads in Nebraska up to \$5000 valuation from all taxes has been opposed through talks, printed literature, etc. Present indications are that this issue will be submitted as a constitutional amendment at the November election this year.

Tax Education.—Using the press, radio, and direct mail, a campaign of education on tax matters has been carried on throughout the year. This has been on an intensive scale and perhaps represents the most important angle of the association's work.

WALTER PIERPOINT, *President*

Taxpayers Association of New Mexico.—

During the past year this association prepared a number of research reports. A study was made of the assessments of corporations, public,

utilities, pipe lines, etc., and assistance was rendered to the state tax commission in the distribution of the assessments of certain of these corporations to counties, municipalities, and school districts.

Complete analyses of the expenditures of the state and of all local governments in the state have been made on the basis of payroll data and other financial information reported to the secretary of state and other state officers. An analysis of the cost of the distribution of free text books in the elementary schools has also been made.

Tables were prepared at the request of the state comptroller for the county treasurers of the state showing how the receipts from motor vehicle licenses should be distributed among the several funds of each county.

A series of special analyses of the records of state departments collecting taxes and miscellaneous revenues has been made.

In December Carlos Powell, formerly assistant state engineer and chief PWA engineer for New Mexico, was employed by the association to make surveys of the accounting practice, operation, and other phases of municipal utilities. It is hoped that Mr. Powell's work will result in the adoption by the state comptroller of some new accounting and reporting forms on which municipal utilities will submit financial data annually to the state.

The association has continued to publish its monthly *New Mexico Tax Bulletin*. In this bulletin tax expenditure data on the state and local governments are reported and the special studies of the association summarized.

In January the association sponsored a state-wide tax conference which resulted in the creation of a body to plan similar conferences each year hereafter. Frank Arnold, director of the Colorado Governmental Research Association, was one of the principal speakers at this meeting.

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Institute of Public Affairs of Dalhousie University.—The Institute of Public Affairs was established late in 1936 "to promote a scientific interest in public affairs" in the province of Nova Scotia, the other Maritime Provinces, and Newfoundland. The governing council of the institute includes representatives designated by the governors of the four Maritime Provinces, representatives of the two unions of municipalities in the region, and representatives designated by ten schools

and colleges in addition to Dalhousie University.

During the past year the institute has concentrated most of its efforts in the field of municipal government. Close coöperation has been established with the Union of Nova Scotia Municipalities. In 1937 the institute helped prepare the program for the annual conference of the union and has been asked to render similar assistance in connection with this year's meeting.

When the Royal Commission was established last August to investigate relations between the dominion and the provinces, the Unions of Municipalities were offered the opportunity of presenting some of the important municipal problems to this body. The Dalhousie Institute was asked by the Union of Nova Scotia Municipalities to prepare a factual report of municipal problems in that province. Such a report has been prepared and submitted with a series of recommendations to the Royal Commission.

The development of an in-service training program for public employees was one of the principal objectives of the university when it set up the Institute of Public Affairs. In the past year and a half, two conferences of municipal officials have been sponsored by the institute. One brought together welfare administrators and relief workers; the other, municipal finance officers.

The publication of a quarterly journal called *Public Affairs* has begun last August. Although it has been made the official organ of the Nova Scotia and New Brunswick Unions of Municipalities it will not be restricted to municipal problems but will also devote attention to economic, social, and general administrative problems and to public affairs generally affecting life in the Maritimes.

The following special research projects have been undertaken by the institute: (1) an investigation of the educational and vocational background of the unemployed in Nova Scotia to aid the provincial government in setting up a vocational training program; (2) a study of existing school units in certain typical school districts to demonstrate what results might be anticipated if larger school units were established; (3) a survey of employment conditions in the city of Halifax to enlighten public and official discussion of a

proposal to establish a modern vocational school.

The institute has recently received a grant of \$5,000 from the Rockefeller Foundation to investigate sickness rates and medical services in the mining district of Cape Breton where a system of health insurance has been in operation for fifty years. It is expected that the statistical analysis which will be made will provide valuable material for study in connection with proposals for state and provincial health insurance legislation.

In the near future the first of a series of monographs on problems of public administration in Canada will be published. This volume will be entitled "Unemployment and Relief in Canada."

Professor L. Richter is the secretary of the institute and editor of *Public Affairs*.

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Bureau of Business and Government Research of the University of Colorado.—

During the past year this bureau has completed three business research projects: cost of operating retail lumber yards, causes of bank failures, and cost of operating gasoline filling stations in Denver.

In the field of government research the Bureau prepared a report on the building needs of the state penal, correctional, and charitable institutions for the state planning commission; made a comparative study of the revenues and expenditures of the University of Colorado with twenty-two other state universities; and prepared an accounting manual for the operation of the Colorado Municipal League's uniform accounting system. *Colorado Municipalities*, periodical of the Colorado Municipal League, was issued monthly during 1937. The 1937 directory of city officials was compiled and published. The seventh annual fire school was conducted at Glenwood Springs in July. A municipal purchasing service was inaugurated in January and a total of 1,800 feet of fire hose was sold. The routine work involved in serving as the secretariat of the Colorado Municipal League—answering inquiries, arranging for the annual convention, and handling the work in connection with the regular session of the legislature—was carried on as usual.

DON C. SOWERS, *Director*

Citizens Union of the City of New York.

—During the past year the Citizens Union devoted a great deal of attention to the first campaign for the election of municipal officials under the new city charter. The organization played a key part in the campaign for the adoption of the new charter and proportional representation in 1936 and naturally felt a vital interest in helping put the charter in the hands of its friends.

The union's activities and the activities of its secretary, George H. Hallett, Jr., in so far as they relate to the proportional representation sections of the New York charter and the first P. R. campaign in New York City, are well known to readers of the NATIONAL MUNICIPAL REVIEW.

Other recent activities may be briefly summarized as follows:

The union has established a committee on constitutional revision which will recommend changes in the home rule amendment to allow real home rule for cities, the extension of P. R. to the state legislature, the adoption of a unicameral legislative body, the constitutional initiative, and other important changes to the state constitutional convention which meets in April. This committee will review all proposals which come before the convention in the same way that the union's committee on legislation acts on measures before the state legislature. Mr. Hallett is a member of a committee appointed by Governor Lehman to prepare data for the convention.

The Citizens Union is actively promoting a legislative program before the legislature at Albany, where it is represented by its secretary each week during the legislative session. Its committee on legislation receives reports and takes action on more than fifty bills at each of its weekly Friday evening sessions.

The Citizens Union follows all sessions of the city council and board of estimate and publishes a complete record of all legislative measures at the city hall. During the early part of 1937 an assistant secretary of the union conducted a weekly radio program on "The Week at City Hall." The Citizens Union passes on all important legislative measures considered by the city's representatives and attempts to influence legislative decisions. It expects that these efforts will be much more fruitful in the future and that the measures

to be considered will be more important in view of the complexion of the new city council.

The union took a leading part in the civic protest which blocked the pension grab arranged by the Transit Commission for former Mayor Walker. The union is now cooperating with the Civil Service Reform Association and other groups in trying to extend civil service to all minor positions in the offices of the five district attorneys in New York. It is also publicly on record as advocating an expansion of the functions and financial support of the Municipal Civil Service Commission.

Transit unification is regarded by the union as one of the city's greatest needs. The abolition of the present Transit Commission and the speedy enactment of a proper unification plan will be urged by the union during the coming year.

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Duluth Governmental Research Bureau.

—Significant activities of the bureau during the past six months included the completion of the report on the administrative organization of the city of Duluth. This study has already had and will continue to have a far reaching effect upon Duluth city government. It grew out of the questioned appointment by the mayor of a new manager of the Free Legal Aid Department. The city attorney ruled (May 1937) that the Free Legal Aid Department had but a *de facto* existence, and therefore as there was no department, no head of the Free Legal Aid Department could exist, and the mayor had no appointment to make. This brought up the whole matter of the powers conferred upon the mayor by the city charter.

Mayor Berghult subsequently expressed a desire to the bureau for a thorough study of the charter and the statutes for the purpose of determining the extent of the mayor's powers and duties. Such a study, which eventually covered the duties of all city officials, has now been made.

An eighty-page report on the matter was released to the city commissioners on September 22, 1937. The summary of the findings and conclusions was sent to all bureau members on October 15th. As a result of this study, the city commissioners have re-examined the methods of financing the airport, and in-

stead of continuing to sell bonds to provide funds for the operation of the airport, the airport fund has been created by ordinance and operating expenses have been appropriated from current funds. Efforts are also under way to draw up an ordinance to create the Park Department and provide for the necessary administrative procedures. (The Park Department, along with the Police, Fire, Public Works, and Water & Light Departments, has but a *de facto* existence having never been created by ordinance as contemplated by the city charter.)

A recent amendment to the city planning ordinance which provided for a change in the time of appointment of the members also included a correction of the old provision for appointment by the mayor to appointment by the council as provided by the charter.

The city attorney's office is making a check-up of the provision in section 8 of the city charter that ". . . all legislation and appropriations of money shall be by ordinance. . . ." At various times in the past additions (not transfers) have been made to the annual budget by resolution. It is believed that a resolution purporting to appropriate money does not conform to the requirements of section 8 of the charter. From time to time undoubtedly other questionable practices will be ironed out. Precise thinking on charter provisions promotes precise and economical administration.

Attention should be directed to the fact that this study shows that the civil service provisions of the Duluth charter are in accordance with the recommended best practice by accepted authorities on the merit system. The present charter provides that except for employees in office at the time of the adoption of the charter and the statutory soldier's preference, a city commissioner can discharge any of his appointees at any time. In other words, with the exceptions above, all that the civil service section of the charter does is to "close the front door" by requiring that vacancies shall be filled from an eligibility list after free, open, competitive examinations as to fitness. As this becomes better understood, it should have a salutary effect upon the morale and *esprit de corps* of the city employees.

An examination of the relief and welfare

expenditures in St. Louis County has just been completed. It was found to be difficult to get figures on the expenditures and load carried by the WPA. The significant results of this examination were that the relief load was higher in 1937 than in 1936 although the total expenditures were somewhat reduced, and with federal and state aid the number of people added increased at such a rate that even after crediting state and federal allotments, the total expenditure from county funds increased.

On October 1st the directors of the Governmental Research Bureau invited the members of the city council, board of education, and the county board to a joint meeting with the directors of the bureau. Three members of the city council, five members of the school board, and two county commissioners attended. It was explained that it seemed in many cases public budgeting put the cart before the horse. In most budget deliberations other than public, the first thing determined was how much income would be received, and the deliberations were then for the purpose of determining how the estimated income could be spent to the best advantage. Various individuals actively engaged in local business enterprises briefly outlined some of the problems presented by the location of Minnesota upon the so-called industrial frontier and the effect of high taxation in this regard. Various officials responded briefly and explained some of their difficulties. The expression of several attending the meeting was that the meeting was helpful and that other such meetings could be held with profit in the future.

Careful study was given to the report of the state examiners on the St. Louis County road and bridge fund. Several conferences were attended with the county attorney, a representative from the public examiner's office, the county auditor, and county highway engineer. It became apparent that laws in regard to budgeting and administration of the road and bridge fund were in conflict in various instances. Agreement was reached for the set-up for 1938, but for the purpose of a thorough understanding of the situation a detailed survey is now under way of the history and legal set-up of the county road and bridge operations. It is believed that the

outcome of this study will be definite recommendations as to possible clarifying legislation to be presented to the next session of the legislature.

Contact has been maintained with the activities of the school board through attendance of meetings, and all of the meetings of the city council, county board, and county welfare board were observed. Largely at the suggestion of the bureau the maturities of the \$125,000 unemployment bond issue which was just sold were spread over a fifteen-year period rather than twenty years as set up in the ordinance presented by the commissioner of finance. The total interest cost was reduced accordingly.

M. W. DeWEES, *Executive Secretary*

LETTERS TO THE EDITOR

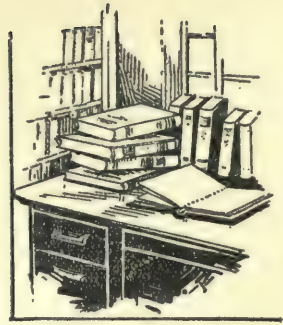
(Continued from Page 163)

of my position, I would refer him to an article, "Recent Legislative Indulgences to Delinquent Taxpayers," which I wrote for the June 1936 issue of *Law and Contemporary Problems* (School of Law, Duke University). In that article I discussed in some detail the legislation affecting penalty and interest concessions, and attempted to weed the good from the bad as I saw them. I still think that the majority of such statutes were bad, from a long term point of view.

There can be little doubt that even the worst of the tax concessions have saved the homes of many distressed taxpayers, or that many taxpayers so benefited have discharged their tax obligations fully as soon as they were able. But the best of the statutes secured this desirable result without making it profitable for the man with ready money for tax payments to get on the delinquency bandwagon in order to enjoy a longer use of his cash without the penalty of additional charges. I heartily agree with Mr. Murray's objective of saving the so-called small home owner; but I fear that he fails to draw the distinction between good and bad means of securing that objective—and in my January column I attempted to indicate my thought that the generally bad legislation still needs correction.

WADE S. SMITH, *Contributing Editor*

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

Twenty Years of Government in Essex County, New Jersey. By Thomas H. Reed. New York, D. Appleton-Century Company, 1938. x, 183 pp. \$2.00.

To depict the government of a specific county in operation, to set forth its motivating powers of bossism and reform, and to evaluate the results in terms of the administrative process are the tasks which Dr. Reed undertakes in this succinct book. He steers clear of encyclopaedic aridity and questionable generality and achieves a fluent narrative of the business of government in a populous, wealthy, suburban-industrial county. The book combines a flair for interpreting political mores with a technique for surveying administrative processes. Dr. Reed tells the whole story from the indifferent voter to the crumbling concrete, from the inception of reform to the diminution of secondary infections in the isolation hospital. By training his sights constantly on the outstanding facts and realities, he has produced a book for both the "expert" and the layman.

The uncontrolled laboratory experiment is Essex County, New Jersey. In the southeastern corner of this county lies Newark. In 1935 the assessed valuation taxable for county purposes was \$1,709,487,995; the county taxes levied exceeded \$8,000,000. The county was once solidly Republican. It is still normally Republican by a precarious margin. In recent years, thousands of commuters including white-collar employees, skilled and unskilled workers from New York, Kearny, Harrison, East Newark, and Jersey City have settled in Essex County. Strong Democratic organizations led by lieutenants of Frank Hague, "doughty boss of Hudson County," have developed.

The governmental structure of Essex County contains many of the flaws typical of the "dark continent" of American politics, namely, departments under the control of independent officers, departments under quasi-independent boards, absence in law and in fact of a chief executive with wide powers of appointment and removal. The board of chosen freeholders is a small county council of nine elected at large with overlapping tenures, three members being elected each year. The supervisor's office, which serves as a general check on the board and the administration, conforms to none of the neat categories of executive officials; it is "clearly a hybrid."

In 1917, the regular Republican organization was in control of the board of chosen freeholders, and the political narrative is begun. The outbreak of the war plus the board's customary lax methods of dealing with contractors led to delays in installing new boilers in the Overbrook Hospital for the insane. When an inferior new boiler installed in 1916 was overworked, it blew out, and this large asylum for the insane was without heat and light for three days in December 1917. This "big freeze" through the alchemy of politics turned the heat on the board of chosen freeholders. As a result, three Democrats were elected to the board in 1918. The machine went from bad to worse. In 1919 the Bacheller-Newman report gave the facts on the North Caldwell land deal and "tied the Republican Old Guard organization directly in as beneficiary with the loose practices of the board of chosen freeholders."

Then came the march of reform. During 1919 a small and informal group known as the Essex County Republican League swung

into action. Its first president and most active force was Arthur T. Vanderbilt. Its original purpose was to re-elect a nucleus of independents in the assembly. Then public indignation over the "big freeze" and the North Caldwell land deal determined the reformers on a policy of running candidates for the board of chosen freeholders on the league's primary ticket. Two of the league's candidates, Edwin Ball and Henry C. Hines, nosed out the regular Republicans in the primary, but Lindsley, a regular, led the vote. These three defeated the Democratic candidates in the 1919 election. Once in office Ball pressed for a much needed investigation into the building of the filter beds for sewage disposal at Overbrook. With this demand hanging over their heads three regular Republicans and one Democrat, for some unknown reason, voted to make Ball, Hines, and Lindsley a special investigating committee. This group, employing Arthur T. Vanderbilt as counsel, proceeded to "go to town." The investigation spotlighted a "crumbling" job and overpayment to the contractor for excavation. Because of legal snarls and other obstacles the question of removing the county engineer dragged on into 1921. By that time, three more Republican leaguers had been elected, and the board, with five leaguers voting as a majority, removed the county engineer after a formal hearing. The success of the league candidates in the 1920 election was attributed in part to the continued ineptitude of the regulars on the board. In that year the board, with Ball and Hines dissenting, had voted for what was later known as the "million-dollar road grab" or the "patented paving scandal." Once in control of the board, the league retained uninterrupted power for eleven years. Later it was succeeded by the clean government group which carried reform forward. But—why spoil a good story?

This book is required reading for the layman who is interested in the life blood of politics, for the reformer who wants to know how others have done the job, for the college student who is interested in state and local government, and for the expert who wants to follow a laboratory test of administrative efficiency, personnel, institutional operations, and governmental costs. It breathes with the

gusto of courthouse politics. Yet many facts and sound observations about the administrative process are salted away for the benefit of those who are concerned with comparative county government and administration. It is a distinct advance in the literature of the field and bears throughout the hall-mark of one who has made many studies of local governmental units in operation.

A. W. BROMAGE

University of Michigan

*

State Administration. By Kirk H. Porter. New York, F. S. Crofts & Co., Inc., 1938. xi, 450 pp. \$3.50.

The purpose of this carefully prepared volume is, according to its preface, to outline the numerous activities in which states may be expected to engage and to propose ways of organizing suitable agencies for the proper administration of these various services.

While the author discusses in considerable detail government problems and organizational arrangements, he disclaims any attempt to make it a book on the technique of administration.

The first eight chapters deal with the "staff" departments, where the tendency is to concentrate power in the hands of the governor, and the last eight with the "line" agencies of administration, the chief administrative officers of which, it is held, are best made accountable to plural, policy-determining commissions or other agencies. Dividing these two sections is a chapter on "The Limits of Concentration."

The author is meticulously exact and clear in definition of term and description of function. While he makes many specific recommendations, they are accompanied by warnings that modifications are always in order.

Referring to the inability of many states adequately to provide some essential services, he looks forward almost wishfully to a time when functional consolidation of groups of states may not be looked upon as fanciful. This question, however, he tosses into the laps of future generations of students of public administration, inferring that students of today have enough on their hands to determine the reasons for the lack of momentum in the movement for widely needed consolidation of counties.

The pages are exhaustively footnoted and are followed by an excellent bibliography and highly serviceable index. It is altogether a broad-gauged and useful book.

A. W.

*

The Abolition of Poverty. By James Ford and Katherine Morrow Ford. New York City, The Macmillan Company, 1937. 300 pp. \$2.50.

Is this a pleasant book to read? By no means. Should it be read by those concerned with local government? By all means. To an increasing degree officials of local government must deal with human beings who suffer poverty; in some cases they must both determine the general policies to be followed and then administer them and in others they must administer policies which they do not originate and cannot greatly modify. In either case this book provides background for those who wish to end the poverty of each individual who must be dealt with, if that be possible, or at least to mitigate it.

Professor Ford is in charge of courses in social pathology in the Department of Sociology at Harvard University and this may account for some of the unpleasant feelings to which the book gives rise. Students of medicine who are suggestible often feel themselves suffering from the symptoms of the diseases they study. And it must be said, to the credit of the writers in hand, that they deal with the many symptoms of that social disease, poverty, so vividly and lucidly that the reader begins to fear he too is in its clutches.

Three great "panaceas" for poverty are reviewed as summed up in the views respectively of Malthus, Marx, and George. While none are dismissed as entirely wrong, it is to the findings of the army of social workers and those who have pored over case histories that our attention is almost entirely directed. As we all know, social workers are poignantly aware of the purely economic factors that make for poverty, but they count also the biological, mental, and moral factors in the poor, as individuals. This is the reason the book is of value to students of local government, for it is evident we must place as a continuous charge upon its budget those competent to deal with the poor as individuals

and to provide such professionals with the institutions and means their judgment declares necessary.

Bad housing as both a cause and effect of poverty is dealt with as adequately as can be expected in a book which crowds such a vast subject into three hundred pages. Enough is said though to stimulate every manager, mayor, councilman, and local officer to use what powers exist, and to get more so that slums do not increase in numbers or noisomeness.

For good measure the writers bring home to us the relation between poverty and war in a way that no book in which war is the major subject has quite succeeded in doing. When we realize, as these writers help us to, how false is the prosperity that munition-making creates, and how many are the forms of poverty which war bequeaths to communities far from the trenches, then students of local government will devote some of their attention to the conscious preservation of peace.

This is a book for those who have given up the idea of progress as necessarily inherent, but who nevertheless believe it can be brought about in human affairs if our faith deals with generations rather than with calendar years.

WALTER J. MILLARD

*

Civil Service Agencies in the United States. A 1937 Census. By the Civil Service Assembly of the United States and Canada (Pamphlet No. 11). Chicago, 1938. 55 pp. Fifty cents.

The Civil Service Assembly of the United States and Canada has just completed and issued the first census ever attempted of civil service systems to include all jurisdictions in the United States. It shows a total of 863 units of government—local, state and federal—under the merit system, including the federal government, fourteen states, 169 counties, five special districts, and 674 cities. Only 465 of them maintain civil service agencies; nearly four hundred of them have their merit systems administered by personnel agencies of other jurisdictions.

The old average of eight new civil service cities per year was broken in the biennium of 1935-1936 when fifty-four cities acted, and again in 1937 when thirty-nine municipalities

came under civil service. The merit system has made the greatest progress in cities of large population. The census shows that 80 per cent of the cities with populations above 100,000 have their employees under such a system.

The five new states adopting the merit system equaled in number the adoptions for the previous twenty-five years.

Although the extension of civil service into the county governments in such states as New Jersey indicates probable future progress, 2,884 counties remain outside the merit system, according to the survey.

*

The Diary of a Housing Manager. By Abraham Goldfeld. Chicago, National Association of Housing Officials, 1938. 115 pp. \$1.

Mr. Goldfeld's book, a record of his ten years' experience as manager of the Lavanburg Homes on the lower east side of New York City, does more than answer many questions on housing management. It is a personal, revealing document, the abridged edition of a day-to-day diary begun before the Homes were completed and continued during a decade of experience.

Lavanburg Homes, one of the few privately endowed housing projects in existence, was established in 1927 not only to give a decent home and community life to more than five hundred residents, but in the hope that its existence would influence the entire neighborhood—inducing others to build as Mr. Lavanburg did, with eventual eradication of the slum area. The hope has not been realized, but the Lavanburg Homes survive, testimony to the social contribution of good housing accommodations at low rentals for persons of small income.

The "Diary" was originally edited for use in a management training course, but it was recognized as having much wider application since it deals with situations in specific, concrete terms rather than in generalizations. It is a valuable aid in the formulation of the new profession of housing management—defining its functions and responsibilities, pointing to the qualifications and experience needed.

*

Municipal Snow Removal and the Treatment of Icy Pavements. By the American Public Works Association. Chicago, 1938. 54 pp. \$1.00.

This comprehensive statement of the snow fighting problems and practices in American cities has been prepared to aid municipal officials and others in securing maximum efficiency in these important operations. A study of the experiences and practices of seventy-eight cities in the snow belt forms the background for much of the data used.

The study discusses fully the necessity of having complete arrangements for handling these emergency conditions perfected well in advance of the winter season. The plans, organization, personnel, equipment, and methods of operation are treated in detail. The conclusions and suggested procedures are those which have been found most effective in the communities which are successfully meeting the problem.

MAINE'S EMERGENCY FINANCE BOARD

(Continued from Page 147)

to have been questioned; and while there are numerous provisions in the act which no doubt will in time be subjected to the scrutiny of the courts, the attorney general of the state and other members of the legal fraternity who have been consulted appear to be confident that the constitutionality of the statute cannot be successfully challenged.

In the municipalities which have been brought under state control the board has thus far devoted its efforts for the most part to investigating the exact financial condition and to making such tentative readjustments in fiscal and administrative practices as appear to it advisable. It has not as yet announced any definite policy as to liquidating the municipal indebtedness or any long term fiscal program. Thus it is too early to make any predictions as to what the results of state control will be. At least, however, here is a novel and significant experiment in relieving the ills of bankrupt municipalities—one which merits, and undoubtedly will receive, the careful attention of students of government everywhere in America.

NATIONAL MUNICIPAL REVIEW

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Michigan's County Government, 1938

J. M. Leonard

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The League's Business

Expansion of League Program Made Possible by New Gift.—Expansion of the program of the National Municipal League at a time when there is a real renaissance of public interest in municipal government has been made possible by a gift of \$25,000 a year for three years from Mrs. Nellie S. Childs, mother of Mr. Richard S. Childs, former president of the National Municipal League and present chairman of its council.

Accordingly, the executive committee, on March 20th, adopted a revised budget for the year 1938 and an outline of a new program of activities for the League. The outline provides for an expansion of the publications program including publications of a news bulletin type, as well as revision of existing city manager campaign pamphlets. The League will undertake field work to provide adequate service for the demands which will be the inevitable result of greater activity in the publication field.

The program also provides for field work directed toward extending the use of the manager plan. In states which cannot now adopt the plan there will be an effort to obtain state enabling acts and to stimulate interest in the adoption of the plan in cities which do not now have it.

Another phase of the new work of the League has to do with the use of other agencies, such as the radio and moving pictures, to dramatize the subject of democracy and methods of making it work. The executive committee decided to appoint a committee of League members and leaders in motion picture and radio fields to explore possibilities in this direction.

The subject of the location of the 1938 annual conference of the League was discussed also. Invitations from several cities were presented, and the final decision was left in the hands of a special committee composed of the secretary, the president, and the chairman of the council.

At a luncheon held March 30th at the Chesapeake Club in Baltimore, the secretary met with civic and educational leaders to discuss prospects for holding the 1938 conference in that city. After the secretary's outline of the League's history and activities, the Baltimoreans urged that this year was especially appropriate from their standpoint. Current efforts to solve a difficult county government problem, the proximity of Washington with its "disfranchised" citizens, the accomplishments of Baltimore in fiscal affairs as a partial result of inspiration received when the conference was held in Cincinnati, were among the reasons advanced by those at the luncheon.

In attendance were: William J. Casey, chairman of the Baltimore Commission on Governmental Efficiency and Economy, who acted as chairman of the meeting; D. Benton Biser, Director of the Commission on Governmental Efficiency and Economy; Robert O. Bonnell of the National Economy League; W. W. Cloud, chairman of the Committee on Administration, Baltimore Convention Bureau; Charles E. Clough, of the Baltimore Junior Association of Commerce; Mrs. Henry E. Corner, of the Baltimore Women's Civic League; Dr. Samuel H. DeVault, of the University of Maryland; Mrs. Charles E. Ellicott, of the Maryland League of Women Voters; W. G. Ewald, secretary of the Baltimore Association of Commerce; Dr. G. Heberton Evans, of Johns Hopkins University; Albert C. Hofrichter, of the Baltimore Real Estate Board; George R. Morris, vice-chairman of the Baltimore Commission on Governmental Efficiency and Economy; Dr. David Allan Robertson of Goucher College; Charles Roloson of the Baltimore Rotary Club; and Dr. Waitman F. Zinn, of the Baltimore Kiwanis Club.

* * *

League's New York State Committee to Meet.—The New York State Committee of the League will hold a special meeting at Schenectady on April 22nd and 23rd to consider and adopt a program of issues to be submitted to the New York State constitutional convention, convening this spring. George H. Hallett, Jr., secretary of the Citizens Union of the City of New York and associate secretary of the League, has been appointed to draft an agenda for the meeting. H. Abbett Pulliam, director of the Schenectady Bureau of Municipal Research, is in charge of local arrangements. Civic leaders from all over the state have been invited to attend and participate in the sessions. Further information may be secured from Rodney L. Mott, of Colgate University, who is chairman of the state committee.

HOWARD P. JONES, *Secretary*

National Municipal Review

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Editorial
Comment



April, 1938

Surrender—at a Price

BIG fleas may have little fleas to trouble and to bite 'em, as the doggerel goes, but it is all too painfully evident that little governments have bigger governments to trouble them by biting them where it hurts worst—in their tax revenues.

It is paradoxical that, while the larger governments attempt to pass back to local units the increasingly difficult problem of relief, they continue to make the smaller governments poorer by preempting all possible new sources of tax revenue. The cities have been "too slow on the draw," apparently, but even when they beat the state and national governments to some hitherto unsuspected spot, it is not long before superior power reaches out to appropriate it.

So the cities complain that the states are encroaching on their powers and functions, and the states, while all but ignoring the wails of the cities, make the same accusations against the federal government. It all comes back to one essential—the unwillingness to look realistically at the muddled tax picture and to bring clearly home to all the people the realization that it is their money, no matter whether it has traversed the circle to the state capitol or to Washington.

It may be that the states or the federal government will do better jobs of performing the various functions they are gradually taking over through the medium of so-called state aid or federal aid. Economic necessity surely has been accelerating the rate of centralization of

power in Washington, and the old cry of "states' rights" has been all but lulled into the speciousness of last night's dream by the clink of silver dollars magnanimously passed back from above. Meanwhile, those who cry for "local home rule" are chiming in with demands for money from the states—at the usual price!

Two articles in this issue of the REVIEW—H. F. Alderfer's "Centralization in Pennsylvania" and Winston W. Crouch's "State Assistance to Cities in Highway Building"—cast some new light on present trends. It should be borne in mind, however, that the same things are multiplied over and over again in all of the states.

Some observers believe that North Carolina counties and school districts, for example, have gained rather than lost as a result of the transfer of functions to the state. There is sound reason to believe that the services so transferred are being administrated more efficiently and effectively. But North Carolina has a long tradition of effective state government matched by few states. Also, in most states the concentration of wealth in certain sections makes it difficult to confine important functions to localities.

But is there not possibly much more than money at stake here? May not the very preservation of democracy be bound up in the preservation of small units of government as more than mere empty shells? We may not know the answer until too late.

Realism or Idealism: Which?

WITH the opening of the New York State constitutional convention April 5th at Albany, the stage is set for as great an opportunity as has come to the hands of any similar body of men and women. It may be that the perspective of passing years will show that we are in a period of lesser crisis than we may think now, but the 168 delegates will be doing much less than their full duty if they fail to recognize the present as an era of far-reaching and significant change which must inevitably produce some type of influential leadership. The fallaciousness of claims that *anything* "can't happen here" can be detected not only in what has been happening in other parts of the world; but, more disturbingly, in numerous occurrences in various parts of the United States. There is plenty of false leadership eager to take command.

Let it be reiterated at the outset that, as state constitutions go, the Empire State's is a good one. Then let this realization bring home the more forcefully the duty of a commonwealth well endowed with outstanding organization, comparatively sound social outlook, ex-

cellent leadership, and great financial resources, to continue its growing tradition of accomplishment.

There is much reason to believe that the convention might serve best by being more idealistic than realistic; that it will be a greater service to the people of the state, nation, and world if attention is centered more on fundamental truth than on the urge to produce a basic law which the people will immediately accept in its entirety. It is true that, after the convention of 1915 labored painfully to produce a forward-looking document, the people turned it down. But it is also true that, since then, practically all of the important recommendations made by that convention have been inserted in the constitution singly by amendment.

There is no great hurry. But there is an imperative need for a sound rethinking of our problems in the light of present and future conditions so that the results will become, as did the results of the last convention, the general standard for state and local government everywhere.

"Corrupt and Contented"?

IT MIGHT appear from the results of the recent election that Kansas City is one of those "corrupt and contented" places discussed by Lincoln Steffens in his *The Shame of the Cities*.

But "contented" is hardly the word. Mussolini used castor oil and bludgeons. Hitler used murder and other degrees of violence and terrorism. Stalin used bullets, prison, and exile.

It is true that, with many of his faithful followers prison-bound for unnecessary vote stealing (it is now obvious that he can win "honestly"), Boss Prendergast passed out strict orders that there should be no "rough stuff" at this election. No one was to be killed or

beaten up. No votes were to be stolen or faked.

What is the real answer? Surely, it can't be possible that there aren't enough of the right kind of people in a great city like Kansas City to throw off the oppressor's bonds. A letter to the National Municipal League (kept under lock and key) accompanying a young man's entry in the Baldwin prize essay contest speaks volumes in a few words. The letter says, in part:

My real name must not be associated with my paper under any conditions. My family, living in Kansas City, would be continually persecuted and my father run out of business if my paper should be published with my true name on it.

Centralization in Pennsylvania

An examination of the extent of state administrative control over local units of government and an evaluation of the ability of the state to meet the requirements of the additional functions it has undertaken.

H. F. ALDERFER
Pennsylvania State College

THE tendency of the government of the commonwealth of Pennsylvania to control local government and to absorb its functions continues apace. While centralization has not reached the heights attained in such states as North Carolina, there has been a decided rise in state power in recent years. There are more than five thousand local units in Pennsylvania and more than seven million people live in urban areas. Such a direction in government is, therefore, far-reaching in the effects it may have on the development of the state at large.

A movement like this should be constantly measured and evaluated. It is our purpose to examine briefly how far state administrative control of local units has gone, and how far the state itself meets the requirements of these additional functions it has undertaken.

In the last two sessions of the general assembly, held in 1935 and 1937, some important changes in the field of state and local relationship have been made. For example, the 425 locally elected poor boards have been abolished. For the administration of outdoor direct relief the new state Department of Public Assistance has been created. The department will have its own organization for the administration of such relief in local communities, continuing the power in that respect of the State Emergency Relief Board. County institution districts, administered by the county commissioners, were established to take

over local poorhouses and were made responsible for dependents in local poor institutions or homes, and in state institutions. These officers also care for dependent children and certain other types of indigents. All this work is under standards set by the Department of Welfare of the commonwealth. The state has likewise assumed entire responsibility for mothers' assistance, blind pensions, and old-age assistance. Locally, these functions, as well as those relating to general assistance, are handled by county boards of assistance whose members are appointed by the governor.

One of the most interesting developments has been the legislation giving power to the state Department of Internal Affairs to prescribe budget forms and annual report forms for counties, cities, boroughs, and townships. Local units are required to fill out these forms and submit them for examination and record. These forms were developed by the department with the advice of representatives of the association of local units involved. No power over the financial content of these forms was given the state. Local tax collectors are now also required to file annual reports with the Department of Internal Affairs.

The Public Utilities Commission has recently been given power to regulate the rates of municipal utilities in so far as they serve customers outside their municipal boundaries. Beginning in 1938 acquisition of water rights by

municipal and private water utilities must be approved by the state Water and Power Resources Board in the Department of Health. Hereafter, all flowing water of the commonwealth, now unappropriated, is appropriated to the commonwealth. There is to be a payment of a license fee for any new appropriation of water.

The state Department of Highways has continued its invasion into local streets and roads. Especially noticeable is the number of city streets taken over during the last two sessions of the legislature.

There has been the continued increase of state legislation regulating local units in the fields of personnel, health, and welfare. Recent additions include the teachers' tenure act, the forty-four-hour week (if declared constitutional), conditions of work for firemen and policemen, and plumbing registration and inspection for boroughs.

And, while local units have been implemented with certain newer powers such as county planning and zoning, housing, and public works construction through "municipal authorities," these powers are generally under the watchful eye of a comparable state agency such as the State Planning Board or the State Board of Housing.

These more recent responsibilities of the state merely add to the list of items that has been increasing since the turn of this century. In order to get a clear picture of the state-local relationship in Pennsylvania, it might be worth while to review them. Let us take them by state departments.

In the Department of Internal Affairs statistics are gathered relating to local assessments, taxes, cost of tax collection, amount of bonded indebtedness, and information regarding publicly-owned utilities. The department acts as a clearing house for data concerning municipal activities. It is empowered to install uniform systems of accounts in munici-

palities on request, and may aid local units in developing plans for public buildings, parks, and playgrounds. It must approve all local bond issues except of school districts of the first class and cities of the first and second classes. This is done so that the department may certify that the debt of the local unit is within its constitutional limitations. It also is charged with the inspection of the sinking funds of municipalities. This department also compares, tests, and regulates weights and measures of local sealers with state standards.

The Department of Auditor General approves settlements made by the Department of Revenue with county and local officers handling state moneys. Audits of the accounts of local officers are made to determine if fines collected by such local officers have been recorded and paid to the commonwealth in accordance with the law. Annual audits are made of over four hundred county officers and almost six thousand justices of the peace and local judicial officers.

MUCH FINANCIAL CONTROL

In the Department of Revenue they are concerned with the collection of inheritance taxes, mercantile license taxes, taxes on writs, wills and deeds, and fishing, hunting and dog licenses initially collected by county officers. Since the imposition of a four-mill state tax on personal property for relief purposes, this department indirectly aids in the collection of the four-mill county tax on personal property, collected by local collectors. It supplies county commissioners with data regarding personal property assessed for taxes by the state.

The Pennsylvania Motor Police, recently established by the merging of the Pennsylvania State Police and the Pennsylvania Motor Patrol, has gradually become a most important factor in the local administration of criminal justice. It acts as the peace agency for virtually all the rural part of the commonwealth

and may aid municipalities in the solution of their criminal problems on request or when the governor deems an emergency to exist. It coöperates very closely with city police departments by use of teletype equipment and has a clearing house for information. It patrols the greatly enlarged state highway system and enforces the motor vehicle code outside of municipal boundaries. In the matter of fire protection, the state fire marshall appoints local chiefs as his assistants in local units in the reporting of causes of fire.

The Department of Highways has had a meteoric rise since its establishment in 1903. At first, it lent financial aid to townships upon application of the supervisors. In 1911 it took over, as state highways, about nine thousand miles of township roads. This mileage was increased from time to time until, in 1933, it had taken over about thirty-four thousand miles of township roads. In 1931 there began the provisions for taking over of city streets connecting state highway routes by the Department of Highways. The depression, with its excessive burden of taxes on local real estate, greatly increased the pressure upon the legislature to provide for this method of aiding local units. It might be mentioned, at this point, that one-half cent a gallon of the state-imposed gasoline tax is returned to counties upon the basis of the amount of total tax collected in each county. Sometimes the county passes part of this amount to boroughs and townships.

At one time, local school districts had almost autonomous power in the field of public education within the commonwealth. Gradually, the state Department of Public Instruction has become, by law, the leader in educational progress. It prepares standards, certifies teachers, plans curricula, and develops courses of study. It administers and subsidizes vocational education under federal aid and handles the public school

employees' retirement system. It has a very effective handle in enforcing legislative standards upon the local school districts in the system of state subsidies. More than thirty-five million dollars are sent each year to local school districts on the basis of local taxable property. Thus, it takes a very active part in guiding the whole educational policy of the commonwealth.

SUPERVISION OVER HEALTH

The Department of Health has been given many powers that affect the government of local units. Field agents maintain a constant connection between local health authorities and the offices at Harrisburg. It supervises the work of local boards in handling communicable diseases, even replacing inefficient local boards or acting for them where none exist, and maintains various clinics throughout the state. It supervises the enforcement of sanitary standards in public eating and drinking places. It issues permits for the sale of milk and actually does the inspectional work where local units are ineffective. It examines water supply applications, plans for water works, processes for purification, applications for sewer permits, and proposed projects. It registers all births, deaths, and marriages.

The Department of Labor and Industry examines all buildings more than two stories high and all places of assembly, including schools and other local public buildings, for fire hazards. It inspects uninsured steam boilers and elevators, it is authorized to establish employment offices, and will enforce the forty-four-hour week on municipalities if it is upheld in the courts.

The Department of Welfare has powers of control, regulation, and supervision over a number of welfare agencies including county institution districts, state-aided hospitals and homes, child-caring institutions, penal and correctional institutions.

A number of minor miscellaneous powers are scattered among other departments. The Department of Agriculture supervises the licensing of dogs. The Department of Forests and Waters has bought up almost two million acres of state forest land and has jurisdiction over more than three thousand camp sites on this land. This ownership by the state is of vast importance to future rural planning and zoning. The Department of Justice supervises parole of prisoners sentenced to state penitentiaries by locally-elected judges.

These powers and duties indicate the vast amount of control that the commonwealth exercises over local governments and over functions that were once their domain. The enforcement of these powers requires a large number of employees and an efficient program of organization. The question whether it is wise to allow this tendency toward state administrative centralization to continue is an important one. The movement is well begun; shall it continue or be restrained or modified? Must we look into the possibilities of a more modern integration of the different levels of government in the commonwealth? It is only by evaluating the administration that a proper understanding of this whole process may be obtained.

REASONS FOR STATE CONTROL

In legislating power over local units to the state administration there are always advanced a number of reasons that appear impressive on the surface. They may be classified as follows:

1. *The necessity for uniformity.* It is argued that each community in the state should have uniform standards so that the inhabitants of one community will not be at a disadvantage in their dealings with others. It is the duty of the state to develop such uniformity, it is said, so that there shall develop a geographic democracy as far as the services of government are concerned.

Modern life has crossed local boundaries, government must keep up. This argument is used most tellingly in relation to education, health, and welfare standards.

2. *The need for efficiency.* Most of the protagonists of state control (especially the academic ones) have apparently given up hope that local governments can do a governmental job with efficiency and effectiveness. The units are too small to have a trained personnel. Those that are in office are not interested in training themselves to a better grade of efficiency because of the political implications of their job. There seems to be no career in sight for public administrators in local units. Besides, they believe that a good job can be done much better for each single community by men who know the problem throughout the state and can relate it to a unified program of the commonwealth.

3. *The desire for economy.* Since the depression there has been a great hue and cry about the wastefulness and extravagance of local government. Horse-and-buggy methods, it appears, are too much in evidence. The need for an agency that will put into practice modern methods is patent. Furthermore, it is well known that mass production in governmental services will yield the same savings as in industry, these persons declare.

These arguments and combinations of them have been used in preparing for each step in this movement toward centralization. They are often valid in relation to existing conditions of local administration. Nevertheless, they do not in themselves prove the case for centralization. State administrative control does not automatically bring uniformity, efficiency, and economy.

These reasons for centralization, true or not, are merely the rationalizations for this movement. One of the most important factors in the Pennsylvania situation has been the proximity of the

state administrative departments to the general assembly and the governor. It is comparatively easy for a state departmental service that meets with the approval of the few executive and legislative leaders who carefully examine it. The majority of the legislature has usually been willing to follow the political leadership of the state government. The leadership, in any given legislative session, is always snowed under by a vast array of proposals and it is impossible for it to develop the long range viewpoint. Insistent administrative lobbyists are always at the elbow of the governor and of the important committees interested in legislation in their field. They feel that their work is important, that it must be expanded. Sometimes they are actuated by the highest motives of service; sometimes by political considerations. They have the program and the data. If there is not too much opposition from home, if the additional program will not cost too much money, and if it is a "reasonable" expansion of the present activities, there is a good chance for them to get it accepted and put into law.

In addition to this, almost every department has an allied organized group throughout the state. When there is a program on the boards for legislative action, the members of these organized groups put on the pressure. They write, wire, and visit their legislators. They get their friends to do so. The average legislator, who really knows very little of the subtleties of legislation, soon becomes impressed by the insistent demand for this program on the part of the more vocal of his constituents. Often, a yea vote is easiest.

There is another factor that has aided in accelerating this movement toward state administrative centralization of local units in Pennsylvania. It is that the cost of local government has been borne almost entirely by the owners of

real property. The real estate taxes, especially during the depression, have been exceedingly burdensome. This has given rise to the organization of a number of powerful agencies interested in economy and efficiency of local government. State centralization appeals to them, not only because of the economy that might come from mass production and organization, but for the reason that it brings the actual transfer of the cost from real estate taxes to the sources of state revenue. Such organizations are important enough to affect legislative policy. They, too, are armed with data and convincing representatives.

IS THE STATE MORE EFFICIENT?

It must be said, at this point, that we do not believe that local governments in Pennsylvania have been specimens of perfection. There is waste, duplication, extravagance, and mismanagement in many instances. There is a great deal of room for improvement, as anyone knows, both in the structure and methods of government in all local units. Our purpose here, however, is to evaluate the process and results of state administrative control with the view to evolving a sound foundation for future development. Let us examine, then, the actual practice of state administrative control in Pennsylvania. If we grant that local governments in Pennsylvania need improvement, does this result simply by putting the work into the hands of state officers? There are a number of factors that must be taken into consideration if the situation is to be properly evaluated.

1. The government of the commonwealth at the present time has no civil service law covering all of its employees. Civil service now applies to only three branches of state service: liquor store administration, unemployment compensation, and public assistance. The great majority of the other jobs are filled through politics. This does not mean, however, that all these places are

manned by inefficient employees. Nevertheless, the chances are against getting topnotch men when the positions are subject to political pressure and under the wing of party sponsors. When this is admitted, one of the most important arguments for state centralization withers away. State functions are not necessarily in better trained hands than they would be in local governments.

2. In the administration of functions that have to do with local governments, the state personnel is not usually made up of persons with previous experience in local governments. The filling of these positions is not carried on with the idea of advancing those who have made a good record in municipalities. In fact, the appointing officers as a rule do not know who has made a good record. The positions are usually filled with persons who have no direct knowledge of their jobs as far as local administration is concerned. They must learn from the beginning without benefit of experience except that which they derive on their particular jobs. By the time they acquire a modicum of experience, they often make way for the choice of a new administration.

3. Let us examine the actual effectiveness of state administration. We must first pay tribute to the inadequacy of most state legislation. As it is largely the result of pressure groups trying to get some particular item in the state program, the laws are crudely drawn from the viewpoint of integrating them into the present program of state and local government and the actual needs. Much administration stops at a point at which most of the good is nullified. Sometimes there is not enough appropriation allowed to carry out the function properly and it remains a meaningless law on the statute books. In many cases, the field work and investigation, which is the nucleus of good administration, is of a hit-and-miss variety. There are not enough field agents to do the work prop-

erly, they cannot keep up with the demands of the legislation, and as a result, they hit only the high point in their areas at irregular times. Under such conditions, what happens to the argument for uniformity?

HOW SAVE MONEY?

4. In the matter of actual economy there are few reliable or comparable figures which prove anything. It would be exceedingly difficult to say whether local or state administration was cheaper in dollars and cents. In fact, the argument of actual economy from state action has long ago been augmented by that of efficiency and uniformity. Perhaps, it is often said, it may not be more economical to have the state do it but it will be better done. The citizen will get more for his dollar and more actual services. Reading the reports of the various state departments, one can easily be brought to believe this. But all who understand the complexities of modern governmental administration know that such reports are concerned usually, year always, with the positive and more cheerful aspects of their work.

5. Nor do state administrative departments utilize the most modern methods and procedures of administration. Whether they do or not depends largely upon the personnel and its training. Good administrative procedure is not inherent in or indigenous to state agencies.

6. Another point to consider is the existence of overlapping and duplication in the state departments themselves. The larger the organization and the more extensive its functions, the more likely there is to be uncertainty as to the proper location of various parts of the functioning process. There are many examples of similar work carried on for different purposes by more than one department, and sometimes without knowledge of the duplication by the parties involved. Furthermore, state control

over local units in any one function does not mean that that process is in one department. Every such function has its legal, financial, enforcement, and educational angles. The administrative officers interested in these angles may be scattered in several departments. In Pennsylvania there is no great evidence of integration between the departments of the state government on these problems, and often the result is that there is a situation confusing to all parties concerned. What was originally a simple problem becomes, through administrative organization, a most vexatious one.

EFFECT OF REMOTE CONTROL

7. There are, too, the tremendous hindrances to effective administration that come from remote control. No matter how well intentioned and implemented a state department is, administration by letter, telegraph, or telephone is not desirable. The nucleus of state control is the field force which is usually in the lower salary brackets. Field men are usually not trained in the broader phases of administration. The work does not appeal to many for a long period of time and is a constant strain on all except the younger individuals. But these persons are the ones to apply state standards in local units. They are continually up against local officers, many of whom show a surprising (to the agent) understanding of their jobs. Then, too, the agents are always under the control of their superiors in Harrisburg. Upon pleasing these superiors much depends. When they, too, are politically inclined, one needs only guess the effects upon the administration of that department.

Let us now view the situation from the standpoint of the local units. We have admitted that they have many inadequacies and weaknesses in structure, personnel, and procedure. Those who are sincerely interested in the future of local

government in Pennsylvania are anxious to improve conditions all along the line. But let us not belittle these local officers and employees. By and large, the inherent worth and actual ability of the personnel in local governments in Pennsylvania is at least up to the standard of those employed in the commonwealth. This is true if for no other reason than that in the great majority of local units the people are quite particular as to whom they elect. These elective officers may not often be trained for their jobs but most of them have the confidence of their community and are of a fairly representative character. The high calibre of local officers is often surprising to those who have labored under the old myths about politicians which apply only in extreme cases. Appointed officers, likewise, do not fall below the average standard set for "good jobs" in the community. The real weakness in municipal personnel is not subgrade individuals. It is the lack of facilities for training and learning more about the job. This deficiency may be made less important by the current programs for in-service training. Nor is there sufficient encouragement to carve out a permanent career in the field.

But what has the commonwealth of Pennsylvania done about this condition? Very little, indeed. It has not undertaken any extensive program of training, advising or cooperating with these local officers. A feeling of antagonism between state and local officers has arisen in functions where they have mutual interests. The state has often insisted that every municipality be molded into a standard set for the state as a whole. The result is that many exceptional cases must be violently readjusted to meet with state demand and the local balance is upset. Where there is dual responsibility, no one is satisfied or takes real interest in the situation. Here the problem of field personnel of the state department is all-important. If it is

composed of young men, if they are too aggressive, if they are openly antagonistic, if they are politically obnoxious, if they are obviously untrained, or if they are just plain dumb, the local officers are not willing to coöperate except under the bludgeon of the law.

Another element in the situation has to do with state legislation concerning local units. Much of this legislation places heavy burdens upon the local officers and the municipality itself. Mandatory laws require expenditures on the part of the municipal government which many feel to be unnecessary. Burdens are added without provision for increased revenues. In fact, many hindrances to sound local administration come from the state. Municipal officers understand the reasons for such legislation and do not feel kindly about them. They realize their own helplessness and resent the exaggerated importance of minority groups. Gradually, they have become "home-rule conscious" and their associations have united to fight state centralization.

In conclusion, we do not want to minimize the fact that many aspects of life are now organized in areas greater than those bounded by municipal lines. No one will argue in these modern times that the commonwealth does not have a true interest in highways, law enforcement, health, welfare, and many of the other functions of government that were once the sole prerogative of local units. But are the present developments in the right direction? We cannot fully answer that question. What we can say, however, is that until the commonwealth of Pennsylvania has a real merit system for its personnel, we cannot look with unalloyed hope upon additional state control over local units. Furthermore, until the commonwealth of Pennsylvania perfects its field personnel, we

cannot hope for better conditions in state-local relations. Likewise, the method of legislating on local matters has always been vicious. No state agency makes any pretense of studying in detail the needs of local units. The present legislative Local Government Commission may supply this real need. Municipal and state officers should maintain frequent contacts for the purpose of evolving a long range program. Legislation should not be the hit-and-miss variety it now is. There should be study as to what functions or parts of functions really are state and what are local. The commonwealth should emphasize training programs, the collection of information, and an advisory system for local officers. It should not be satisfied merely with enforcing the law and waiting for new legislation to increase its powers. On the other hand, the municipal officers should be more interested in improving their own administrations. Many state inroads into local fields have been made on the basis of examples of antiquated and poor local administration, even when there were many examples of good administration to be found. But the chain is only as strong as its weakest link. If there continue to be phases of obvious local maladministration, these will be seized upon as an excuse for increased state powers.

No one interested in preserving the best of our American institutions wants to emasculate the powers of local government. The maintenance of their independence is the anchor of our governmental stability. Let us not fool ourselves that the main problem of government is efficient administration according to the standards of big business, especially when the relation between mass production and efficiency, even in industry, may not be as close as was once accepted.

Fixing the Judge¹

Wherein the efforts of well meaning friends prove futile but the "tough" judge proves "just".

BRYAN M. O'REILLY
Editor, *The Franciscan*

AS I ROLLED along the highway the sun was shining, my eye caught the glint of new green by the wayside, my thoughts were far away, all was well with—

"Pull over there, mister."

The voice came from a policeman in a coupe which suddenly appeared beside me. Pulling over to the curb, my peaceful morning shattered, I reflected that my speedometer could not have registered more than forty-five—forty was the legal limit on this stretch—and I was in for a "bawling out." Remember, I murmured to myself, never talk back to a cop.

"Let me see your license, mister." The voice was hard-boiled. With a forced meekness which went much against the grain, I produced my papers. These country cops, I thought, must have little to do, pulling up cars for a couple of miles beyond the limit. However, my expectations of getting away at the cost of some browbeating were good until the "law's" next remark startled me.

"I clocked you at fifty-five, Johnny. You'll have to follow me in to the station-house."

"But, officer, I wasn't going fifty-five. My needle hung around forty."

"My clock says fifty-five, buddy. When did you have your speedometer checked?" came the uncompromising reply.

"Look here, officer, I travel this road

every day. Certainly I had no intention of speeding."

"Sorry, mister. Just follow me into the station. You'll have to tell that to the judge."

Subsequent protest at the station-house got me nowhere. The ticket was made out for fifty-five; I was rooked of fifteen dollars bail and told to appear in court in ten days time. Neither the sergeant at the desk nor the arresting officer was aggressive but they were curt and unsympathetic.

As I climbed into the car outside the police station, the green ticket burned a hole in my hip pocket. My speedometer had never gone above fifty; to that I could take oath. There was a mistake somewhere. If X is traveling forty when he passes Y traveling thirty, how much must Y accelerate to draw level with X having given him ten seconds start? My algebra would not carry me that far but I had a mathematical friend who could work it out. Obviously Y must exceed forty, however, which might account for the outrageous charge against me. Here it is pertinent to remark that this was my first brush with the law and that I am English-born. That a false charge could stick never crossed my mind. A citizen on his lawful occasions has rights, an overzealous policeman could make a mistake, a magistrate weighing the testimony would do justice. My character was good, my record was without blemish, there was no reason why I should speed. The judge would see this and—it was reasonable to expect—give me

¹From *Harper's Magazine*, September 1937. Copyright, 1937, by Harper & Brothers.

the benefit of the doubt. After all, the citizen comes before the cop, the former being the "public" and the latter a "public servant."

Half an hour later I told the story of my morning's misadventure to my colleagues.

NO HELP FOR THE INNOCENT

"It's a tough town," was their unanimous comment. "Those boys won't play ball," and then the flood gates were let loose. The native-born citizenry told me what to expect of an American court. "They'll soak you \$25.00." "An out-of-town license has no luck in that town." "It's an old racket, they need money in the treasury." I was warned not to talk back to the judge, advised to plead guilty, urged to soft-soap the arresting officer and ask him to "go easy." I was to tell him that I knew Bill Sykes, that I was in a desperate hurry, that he was a good fellow. Provided, ran the refrain, that I antagonized nobody, there was a chance that the fine might be moderate; otherwise you'll get the works. My complaint that I was not guilty, that I had not driven fifty-five miles per hour, was brushed aside. My suggestion that since I had a reasonable case the judge would give me a fair hearing was greeted with guffaws of laughter. Stories were told of this or that man who had been railroaded. My determination to plead not guilty was asking for trouble. The cop, the judge, the clerk, and the township were in "cahoots," I was informed; it was a racket. To fight the "hold-up" was to invite the maximum penalty; all ideas of justice, of a fair hearing, of being able to convince the judge were dismissed as idealistic; county traffic courts just didn't work that way. During all the discussion the question of fact, of law, or of justice never entered in; that the ticket should be "fixed" or "taken

care of" was considered the only possible solution.

My friends made my case their own and with various degrees of pessimism began to "see what they could do." My chief appealed to men in high quarters but confessed the next day that it was "no go"—it was one of two towns in the state which were unget-at-able. "Most magistrates and police chiefs will see reason and exchange courtesies," was the way he put it, "but not this crowd." Our sales manager, a good mixer with a wide acquaintance whom nothing dashed, while he recognized it as a tough proposition, hoped to do something. He knew the architect who had built the local schools and the doctor who dosed the police; they might be able to persuade the judge to go easy on a friend. His secretary pointed out that the officials in question had a reputation for being A.P.A.'s and Masons; there wasn't an Irish name in the bunch. "I can fix Masons as well as K. of C.'s," said the sales manager. But he couldn't, not this time. His sources of information relayed the old tale, "this bunch is tough." My colleagues gave up the job and commiserated with me.

The flurry had blown over and I had been metaphorically thrown to the wolves when, some days later, I lunched with one of our agents from out of town. My misfortune made small talk. With the friendliness which is universal he volunteered to "fix it," having once lived in that town. After lunch, while I stood by, he called the local political boss, who happened also to be postmaster. "Hullo, get me the post office please." Then the following one-sided telephone conversation ensued: "Hullo Bill, this is Jim. How's Sally? Say, she looked grand at the auxiliary lunch." A pause. "Yeah, I was at the club, swell. Say, Bill, do me a favor." My sad plight was recounted. "Yes, I know. Can this fel-

low be got at? Give me the low down." Jim's friendly face showed disappointment. "What, throw him in the river? No good, eh? Well, thanks. Sure, I know. So long, Bill. Regards to Sally." When he put down the telephone I was told the other side of this cryptic conversation. "Bill says that the judge is no good, that there's nothing to be done with him except push him in the river. That's final; there's nothing to be done from inside." My painstaking friend thought awhile. "Well, maybe we can get at him from outside."

YOU HELP ME AND I'LL HELP YOU

The resulting scheme was developed into a form of chain-letter business, or a variation of the old theme, you scratch me and I'll scratch you. I was Jim's friend, Jim had a friend in a neighboring city who had a friend who was a judge of the Appeal Court. The judge of the Appeal Court could reach the magistrate who was to sit in my case. There were a series of "favors received" to be cashed. Jim had procured first-class accommodations for his friend on a crowded liner Bermuda-bound. This friend had handled a real estate deal for the Appeal judge. So what? So "fix it." The obdurate magistrate would be asked to do a favor for the senior judge. He would feel flattered and in addition could count on the return of that favor at some later date. It was a set-up. The chain was set in motion and everything clicked until the tough magistrate was reached. A telephone call the next day told me that the Appeal judge was working on it but that the going was hard. A call the following day informed me that it was "no go"; the guy could not be reached. My last hope, or rather the last hope of my friends, had failed.

The dinner on the night of the court's meeting—with a friendly colleague who

had volunteered to come with me to the court—was a dismal affair. I could not afford twenty-five dollars, and to be soaked such a sum for something which I had not done was galling beyond words. My determination to fight it out was unchanged. Still the unanimous opinion that it was a cut-and-dried formula discouraged me. I entered the court grimly resigned to being barked at, overridden, fleeced, and thrown out.

We sat in the well of the court, the high bench of the judge above us flanked by the United States flag. The room was fairly full, a dozen policemen sat at the back, one or two swaggered. Court convened, on paper, at 8 P.M. but at 8:30 P.M. nothing had happened and we fidgeted while others chewed gum. At 8:35 a policeman at the door barked "stand up" and a clean-cut man in a business suit entered from behind the bench, nodded, sat down, and motioned all to be seated. The "tough judge." He was flanked by the clerk and after a few motions the first case was called. Drawing upon what I had been told of police court conditions, I was all prepared for high-handed proceedings, for a succession of rapid-fire cases to be perfunctorily run through the mill. I steeled myself to make a fight for a hearing. However, to my surprise, matters proceeded with quiet order. The judge was quiet-spoken, attentive, and dignified; he listened carefully, allowed the accused full freedom of speech, delivered judgment with restraint and summed up well. This was unmistakably a court of justice. That in all cases the plea was "guilty" in no way altered the tenor of events; each man was allowed to have his say, each was attentively listened to.

My case came half way down the calendar; I advanced to the bar and heard the charge read. I was sworn.

(Continued on Page 235)

The Manager Plan in Suburbia

Improved services with lower administrative costs and debt reduction with a sound refunding program among the important achievements of manager government in Teaneck, New Jersey.

MIRIAM ROHER

National Municipal League

IN NOVEMBER 1930, 16,000 residents of Teaneck, New Jersey, junked their old form of government in favor of the manager plan. In doing so, they set their feet on the road out of the ditch of pyramided debt, uncertain and slovenly municipal services, and politicized management into which their former machine government had sent them. The township has now travelled the manager road for more than seven years. The record of the achievements for that period indicates that the ditch has been left far behind.

The experience of Teaneck is clear illustration of the adaptability of the manager form to suburban governmental units. Consider the character of Teaneck. With a change of place names, it is typical of suburban communities anywhere in the United States—with the exception, of course, of a comparatively few *de luxe* communities on the style of Lake Forest, Malibou Beach, and Scarsdale.

Teaneck is a community of business executives and white-collar workers almost none of whom works in the city in which he lives. It is a city of commuters, who shuttle daily back and forth from New York, Newark, and Jersey City. Home industry is practically nonexistent—there is one large laundry, one smaller one, and the usual quota of utilities, chain stores, lunch counters, and gas stations.

The inhabitants are steady people, who keep their jobs and take debt seriously. They own their own homes—six thousand of them—not mansions, but for the most part substantial homes, neat domiciles each with a diminutive garden and a sand pile for the children. Teaneck, in other words, is a place for people to live.

To such a suburban community three concerns are naturally paramount—home, pocketbook, and children. To the extent that the manager government has served these three, then, can its success be measured.

An index of the financial achievements of the manager plan in Teaneck is the reduction, in the face of the depression, of the pre-first mortgage public debt from \$1.00 for every \$4.25 of assessed valuation (1931) to \$1.00 for every \$9.75 of assessed valuation (1937). The keynote of the present regime is thrift—a proper suburban virtue—not only in the actual handling of funds, but in the execution of governmental services.

Teaneck appears to be the first municipality of any size to adopt the International Business Machine method of making tax bills and tax duplicates which results in great savings of time and money, in addition to the achievement of heretofore impossible accuracy. The tax bills themselves are individual masterpieces

of usefulness and clarity. The machines which fill them out make an automatic breakdown of the individual tax levy into school, township, county, and state tax, indicate the corresponding tax on the same valuation for the previous year, and tabulate the amount of the respective annual increase or decrease of the tax for each of the four purposes. Graphic material on the back of the bill is a further aid to the taxpayer in discovering at a glance how much of his taxes go for what purposes.

The latest tax bill for Teaneck indicates, incidentally, that although the tax rate has risen to a total of 5.05 per hundred dollars for all purposes, after having been as low as 4.64 in 1933, the increase is the responsibility of the school, county, and state taxing units. Township taxes alone have decreased from 2.72 in 1930 to 1.86 in 1938.

Teaneck has utilized since 1934 a new and thrifty method of reaping the depression harvest of property foreclosed for nonpayment of taxes. As a suburban community, the city has been especially concerned with tax delinquency on the many parcels of property hopefully acquired in good times. The high fee formerly due by custom to the attorney who took over the liquidation of tax liens has been avoided by the farming out of such proceedings in large blocks to a single individual who has agreed to a flat contract rate of \$45 for each piece of property disposed of. In this way, the city has been enabled to realize substantial sums on its tax delinquent properties, whereas in the past the cost of foreclosure all but swallowed the city's share of the sale proceeds.

The trend and character of city expenditures is a graphic indication of the turn which Teaneck manager government has taken. Although the population has increased to 23,000, total ex-

penditures have decreased from \$800,038 to \$708,541 since 1930. Debt service has also cascaded in the same direction. It was \$387,806 in 1930; in 1937 it was \$238,621. Administrative costs have also dropped, from \$53,058 in 1930 to \$43,300 in 1937. But big advances were made in police and fire costs: for police, \$83,970 in 1930 and \$106,022 in 1937; for fire, \$34,394 in 1930, \$74,390 in 1937. Teaneck has reduced on management, improved on service.

INCREASED SERVICES FOR HOME OWNERS

The innovations which the manager plan has introduced have been almost all on the side of increasing services for home-owners. Residents are proud of the shade tree commission, which supplies free care to shade trees. They point to route 4, the main artery along which the city is situated, and note that Teaneck alone, of the many New Jersey communities which border on the same highway, has zoned the area as residential only. A planning board, manager-appointed and advisory in character, has devised a master plan for community development, with emphasis on a large central park for which most of the land has already been acquired. A new fire alarm system has just replaced the archaic whistle method. Especially is Teaneck proud of a new fire engine, discarded by New York City for engine trouble, bought by Teaneck for \$125 and now reconditioned, at scant expense, for a usefulness of many years. New, the same engine would have cost \$17,000. It is essential to the story that New York City authorities, realizing too late the significance of Teaneck's bargain, sent investigators across the Hudson to find out how it all happened.

Speaking of fire protection, the fire underwriters' class E rating for Teaneck of only five years ago has now reached class B. This means not only

a substantial saving in insurance costs but also safer homes. Only ten municipalities in New Jersey have so high a rating.

The steady white-collar population of Teaneck has minimized the relief problem for the city, although in spite of state aid the cost of welfare has not been inconsequential. In 1930 the city spent \$1,093 for relief; in 1937 the cost was \$22,512. It is typical of the whole character of city government that thirteen who would otherwise have been relief recipients have been given instead the job of policing school crossings.

This is only one aspect of the suburban concern with the welfare of the children. When the playtime activities of some children in the poorer section of town became a problem to householders, the manager arranged to have the basement of a public building turned over to them. With a leader to supervise, he has purchased ping-pong balls and rackets, and other organized play equipment, to direct the energies of the young into more innocuous channels. The major WPA project in the neighborhood was the building of a new extension to the public library.

The course of manager government has not always run smoothly. Although politics, in its usual sense, seems now to have disappeared from the township at least, Teaneck is surrounded on all sides by the fierce New Jersey partisanship. In matters which overlap township boundaries this factor has sometimes been a considerable handicap.

The sole machine attempt to regain control of the township government came, characteristically enough, at the end of the first manager year. But the voters decisively defeated the proposal to recall the members of the council for "arrogance in office."

Next month's election will reveal a somewhat different situation. Both

local political groups are vying with each other in their protestations of fealty to Manager Volcker.

TOWNSHIP EMPLOYEES ENTHUSIASTIC

The very atmosphere of the Teaneck municipal building, a neat red-brick structure bordered by a sloping lawn, is another index of the enthusiasm which the manager plan has evoked even among municipal employees, a class which has been known, in other city halls, as a somewhat cynical, case-hardened lot. Every space in the building is jammed with desks and files. The emphasis seems to be on utility, rather than on aesthetic effects. Under these tryingly crowded conditions, however, the attitude of the civil servants appears to be characterized by great zeal. Many of the 147 employees are themselves householders and "typical suburbanites," hence their enthusiasm is to some extent indicative of the popular attitude. One worker in the tax department grew almost emotional in describing the new machine method of billing. In the basement, where police headquarters are located, the lieutenant in charge was eager to tell of the municipal project for fingerprinting all school children, while he was little less enthusiastic over the new no-fix ticket system¹ which is one effort to cope with the traffic problem created by the proximity of the George Washington Bridge, which spans the Hudson between upper Manhattan and New Jersey.

In a quiet, almost shy way, Manager Paul Volcker, who has been with Teaneck throughout its seven manager years, is no less enthusiastic about the progress of his administration. Incredibly tall, white-haired Manager Volcker strides about his little kingdom in the municipal building gathering the attention of re-

(Continued on Page 236)

¹See also "Fixing the Judge," page 197 of this issue.

State Assistance to Cities in Highway Building

The state has recently begun to recognize the problem caused by the construction of highways into and through cities and accordingly to take over such streets or share state-collected motor vehicle taxes.

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THE rapid growth of highway expenditures, together with the successful development of productive special taxes upon motor vehicles, has led to various forms of state assistance to local units for highway construction. Generally, the incorporated municipalities have not been assisted to the same extent as the more rural areas, the counties. State highway policy has aimed to develop: (1) main through routes; (2) farm-to-market roads; (3) scenic or recreational routes. The county, as the agent of the state, naturally has shared in whatever assistance the state might give in developing a general highway system. Establishment of a state highway system usually has involved also the incorporation of county roads into the state system, thereby relieving the county of maintenance costs. In most states, until recently, the cities have not figured in these plans. While cities have been subject to state law in regard to construction and maintenance of streets, the cost of such construction and maintenance has been regarded as a municipal responsibility. This has been true even in those instances in which city streets form a direct and connecting part of the state highway.

In recent years there has been a general tendency for the state to recognize problems presented by the construction of state highways into and through cities. The states have shown a tendency to: (1) take over the city street for

construction and maintenance by the state highway authority; or (2) to share state taxes upon motor vehicles on the condition that the city perform the work under state direction. The federal government added impetus to this tendency when it directed that at least 25 per cent of the \$400,000,000 appropriated for state highway departments by the recovery act of 1933 should be spent within municipalities.

A number of factors entered into the determination as to whether cities should receive state aid for construction of streets forming a link in the state route. Among these were strength of the rural element in the legislature, extent of the state highway program, and amount of funds available. The state-aid method was the first used to finance a state-wide system of roads. Under this plan the state shared in the cost of building a general road system, although responsibility was delegated to the local units. This method was employed in New England to finance both urban and rural routes. In 1892 the state of Vermont levied a state road tax upon real estate and apportioned the receipts among the towns and incorporated villages according to road mileage. Soon Massachusetts and New Hampshire also passed state-aid laws. Pennsylvania adopted this plan in 1911.

Interest in construction of roads increased at the close of the World War. The lure of the federal grant-in-aid for

highway construction was sufficient to lead states to centralize control of highway building in state highway authorities. During this period of development many legislatures authorized the highway departments to build highways through cities of 2,500 population or less.¹ Some legislatures mapped out state routes by statute and directed the routes through certain cities. In those states in which the department was given discretion, the consent of the local authorities usually was prerequisite to state construction. Although the work was to be under the direction of state officers, these statutes did not limit the power of the municipality to control and maintain its streets. The experience in California, as in most of these states, was that local groups used this requirement of municipal consent to obtain routing favorable to certain local interests. Thus the state highway authorities were prevented from undertaking any comprehensive planning of highway routes.

STATE-COLLECTED TAXES A FACTOR

Various factors furthered a greater extension of state assistance to cities. Gasoline and motor vehicle taxes were developed as the chief means of financing highway construction. The greater percentage of these taxes was paid by automobile owners in cities. For this reason, state leagues of municipalities were active in presenting the demand of the cities for a share of these taxes. Furthermore, state highway authorities were interested in completing units in the highway system left by cities that did not approach the state standard in highway construction and maintenance. In meeting these demands most states followed one of three procedures: (1) permitted the state highway authorities to spend state highway money to con-

struct, reconstruct, and maintain streets that formed a link in the highway regardless of the size of the city population; (2) "earmarked" fixed percentages of the taxes on vehicles to be spent by the state on city streets; (3) shared a portion of the taxes with the cities for highway construction under supervision of the state authorities.

Primarily the state has paramount control over all highways within its borders, including highways and streets within the limits of municipalities. Whatever authority a municipality may enjoy pertaining to streets must be derived from the legislature.² However, the fact that the state has delegated power to the municipalities to construct streets does not prevent it from again exercising such power and constructing such streets as part of the state highway where general interest requires it.³ Where the legislature, by specific direction, designates the routing of state highways, there has been no question that the state has authority to build the highway through an incorporated city. This has been held valid even where the state constitution forbids the making of any legislative grant of money or other valuable thing to a municipal corporation.⁴

Most states have delegated authority to the state highway department, or similar agency, to construct the state highway through cities along such streets as may connect with the route determined by the department. In the numerous curbs placed upon the discretion of the state highway departments there may be detected a certain recognition of the principle of local self-government. This was illustrated by an Illinois case. Although Illinois has never

²*Brand v. Multnomah County*, 38 Ore. 79, 60 Pac. 390 (1900).

³*Ibid.*; *State v. Edmondson*, 89 Ohio St. 93, 105 N. E. 269 (1913); *State v. Atkin*, 64 Kansas 174, 67 Pac. 519 (1902).

⁴*State ex rel. Russell v. Highway Commission*, 328 Mo. 942, 42 S. W. 196 (1931).

¹California, Colorado, Illinois, Georgia, Iowa, Missouri, Oregon, South Carolina, and West Virginia.

been particularly generous in granting home rule or allowing local self-government, its courts have insisted that the "laying out, establishment, and control of streets and thoroughfares within a city, town, or village are functions peculiarly within the powers of such municipal corporations. Such functions should not be molested by any outside authority unless such privilege is expressly granted to it."⁵

Local interest has been recognized also in the planning of routes. Most highway plans were laid out in terms of existing street arrangements. Consequently there was a minimum of friction on the point of routes, rerouting, etc. Administrative and legal difficulties appeared, and conflict of authority arose at a later period when state departments undertook a policy of rerouting established routes and constructing new arterial streets that would facilitate the flow of main through traffic. Almost without exception city authorities consented reluctantly to planning the construction of trunk line highways through any portion of the city other than the central business district.

CITY-STATE RELATIONS NEED CLARIFYING

The relationship of the city and the state has never been worked out to the complete satisfaction of either party. Most legislation covering such relationships has never been clear or comprehensive on the respective rights and duties of the municipal corporation and the states. This has compelled the making of administrative agreements covering the deficiencies of legislation. In this way a considerable body of administrative practices has developed to govern city-state relationships.

One of the most important points of contention because of unclearness is the location of responsibility for obtain-

ing rights of way and reimbursing property owners affected. Legislation in most states does not specifically allocate this responsibility. There has been a tendency, however, through recent legislation and administrative rules to remedy this lack of clarity. In Michigan, as the state's fund for purchase of rights of way is limited, the department must rely on cities to obtain them. The legal section of the state highway department coöperates with the cities in furnishing all legal assistance necessary for this procedure.⁶ Kansas requires the city to obtain the right of way as a condition precedent to state construction within the city. Iowa settles the question by administrative agreement. If the improvement is chiefly for the benefit of through traffic, the state obtains the right of way. If the project is one of particular interest to the city, it is customary for the city to furnish the right of way. On some occasions both join in the expense. Recent legislation in Illinois and Massachusetts specifically permits the state highway authorities to relocate streets forming a highway route and to condemn a right of way.⁷ An Oregon law directs that when a city consents to a change of grade in the state highway, the state shall pay for any damages to property caused by the change.⁸ It appears that most forward legislatures will make more such specific allocation of responsibility in future statutes on this matter.

The authority of the state or the city to control use of streets by public utility lines is another subject of difficulty that should be settled by legislation in advance of construction. California and North Carolina require the municipality to have all utility lines laid before the

⁵Michigan, *Sixteenth Biennial Report of the State Highway Commissioner* (1935-1936).

⁶Callaghan's Ill. Stats. Annot. 1932-35 Supp. Ch. 121, Sec. 204; Mass. Annot. Laws 1936, Ch. 81, Sec. 7.

⁸Oregon, Laws of 1937. Ch. 462.

⁷*Department of Public Highways v. Ryan*, 357 Ill. 150, (1934).

state paves the street. Responsibility for supervising "corporation cuts" is vested in municipal authorities by statute in California and Oregon. The California statute in particular specifies a procedure calculated to prevent the destruction of streets made necessary by lack of planning for public utility lines. In a recent Missouri case the court distinguished the state's authority over utility lines in the street from that of the city. The state commission has very limited jurisdiction. It is concerned with matters immediately connected with the construction or paving of highways and their maintenance. The city has all residue jurisdiction, and may even oust a utility company from use of a street that forms a part of the state highway.⁹ Indiana, however, has placed the power to control "corporation cuts" with the state highway department. A utility that fails to obtain the department's permission to make the cut is subject to a fine.¹⁰

POSSIBLE CONFLICTS

Regulation of traffic on the street that forms a part of the state highway may present a conflict of authority as state departments attempt to standardize signal methods, parking regulations, etc. Does the transfer of the street to the state highway system withdraw the street from municipal jurisdiction? Some states are careful to designate that the street does not become a part of the state highway. The state merely undertakes to construct the streets designated by the highway department as necessary for the continuation of the state route. The California law formerly specified that jurisdiction over the street returned to the city upon completion of the project. In Missouri the court took the point of view that even though the street did not become the property of the

city, construction by the state did not jeopardize the city's power of control over its streets.¹¹ The Iowa Supreme Court started from an opposite view but arrived at the same result. It denied that a street improved by the state highway commission became a part of the state primary road system. It ruled that the act of 1931 conferring upon the state the power to improve such streets had not divested the municipality of its duties and responsibilities in respect to streets.¹² In a Tennessee case the court held that a city has the same power over streets carrying state highway traffic as over any other street. The commissioner of highways was authorized to route traffic through a municipality only over and through such streets as were prepared to carry it. Otherwise the police power of the municipal government could be set aside at will by the commissioner.¹³

It is apparent that in the absence of conflicting state legislation governing traffic and traffic regulation the municipal ordinances will govern. The municipal police power is not affected solely by the fact that the state built the street. The Indiana highway law, however, as amended in 1937, illustrates a different development. When the state commission is charged with maintenance of a street, it may regulate and control parking and remove all hazards to traffic. It may regulate or prohibit stop and go signals. Such streets also become preferential routes in traffic flow regulation. In other respects, however, the power of the city is not to be impaired. In the interest of uniform traffic regulation it is entirely logical that the state highway authorities should take over such regulation as specified in this statute.

⁹See cases cited.

¹⁰*State of Missouri v. Missouri Utilities Co.*, 339 Mo. 385, 96 S. W. (2nd) 607 (1936).

¹¹Indiana, Acts of 1937. Ch. 256.

¹²*Wallace v. Foster*, 213 Iowa 1151, 241 N. W. 9 (1932).

¹³*Collier v. Baker*, 160 Tenn. 571, 27 S. W. 1085 (1930).

Another important question that arises is in regard to the liability of the municipality for damages that arise from a dangerous condition of the street that forms part of a state highway. Under the law of tort liability, as at present developed, there is room for much confusion if such streets are to be regarded as under state jurisdiction, and, therefore, different from other streets in the city. The cases that deal with this point are few and do not agree because of statutory differences in the states. In Georgia, where the state highway board has discretionary power to pave or repair a street, the statute directs that it shall not be construed as relieving the cities of the duty of maintaining their streets in a reasonably safe condition.¹⁴ In Pennsylvania the court took a similar view when it held that a borough was responsible for the results when a street that had been improved by the state was damaged during a storm. Improvement by the state did not relieve the borough of its duty in respect to safety of highways within its limits.¹⁵

Under somewhat different circumstances, however, the Connecticut court held that the state road commissioner rather than the town was liable for injuries sustained on a state-aid highway. The town paid one-fourth of the cost of maintenance and the state did the work.¹⁶

MOTOR VEHICLE TAXES SHARED

A different type of city-state relationship has been developed by the program of sharing state taxes on motor vehicles with the municipalities. The growth of this relationship may be well illustrated in the examples of California and Washington. Until 1933 California shared the gasoline tax and license plate fees

solely with the counties. The only municipality that received a direct grant under this arrangement was the consolidated city-county of San Francisco. Although the counties have been authorized to share with the cities, they have been reluctant to do so on a scale pleasing to the cities. Friction has resulted chiefly in those counties in which there is located a large city. Control of the aid has rested with the county board of supervisors, a majority of whom represented rural or suburban areas. The recurring controversy between the city and the county of Los Angeles has demonstrated the difficulties of this plan. In a recent renewal of the dispute the city council charged that the county board discriminated against the large city in favor of assessment districts in unincorporated territory. The city's protagonists urged that the city withdraw and become a consolidated city-county, or, as an alternative, that the state pay the fund directly to the city.

In 1933 the California legislature set aside a sum equal to one-fourth cent per gallon of gasoline taxed to be spent upon state highways within cities. This was to be in addition to the amount given through the counties. Any city that could satisfy the state highway department as to its ability to build streets on a standard equal to that of the state highway might receive its share of the fund and perform the work itself. In 1935 the state allowed the cities an additional sum equal to one-fourth cent per gallon taxed. This sum was to be apportioned among the cities for work upon important streets other than those forming part of the highway and for purchase of rights of way. The city was directed to prepare an annual budget for expenditure of the funds and submit it to the state highway authorities for approval. Additional sums were granted to cities for street work in 1935 when the state took over all personal property taxation of motor vehicles and returned

¹⁴Georgia, Laws of 1937, No. 387, p. 1081.

¹⁵*McCracken v. Curvensville Borough*, 309 Pa. 98, 163 At. 217 (1932).

¹⁶*Murphy v. Town of Norfolk*, 94 Conn. 592, 110 At. 62 (1920).

a share of the collections to the cities and counties. This arrangement was sufficiently satisfactory so that in 1937 the life of the law was extended. The cities must spend their share of this latter tax for law enforcement, regulation, and protection of highway traffic.¹⁷ The relationships developed between the cities and the state by the administration of these laws made it necessary for the highway department to create a special office of municipal coöperation. This office is responsible for the general policy of coöperation although actual contact with municipal representatives is made by the state's district engineers.

Washington followed a similar development of policy in sharing the gasoline tax with cities. A statute passed by the 1937 legislature allocated a share of the tax to cities and permitted the state director of highways: (1) to allow the money to be diverted to other streets than highways; (2) to keep the designated streets in repair if the city failed to do so, and to charge the cost to the city's share of the fund; (3) to require such reports as he might direct.

In both states the cities have had to surrender a certain amount of control over street construction policy and expenditures to win a share in these state-collected revenues. While there have been several grounds for dissatisfaction because of these limitations, the cities have been in a much better financial position than formerly. The state's superior interest in highway construction has made such control necessary. As a matter of fact, the state highway departments have been unwilling to push

restrictions upon local authority. They have preferred to make administrative agreements that represent compromises of state and city interests. By and large, the results of the coöperation have been good.

One step further in the development of highway policy may be conceived at the present time. Most of the difficulties presented here could be eliminated if state highway authorities were permitted to plan state routes so as to bypass municipalities. The city could be connected with the main thoroughfare by means of local-traffic streets or roads. If state routes are to become the superways that planners suggest, that is the most feasible solution. Such a plan would eliminate the problems attendant upon construction of state highways through cities. Those states that share state-collected gasoline taxes with the cities might continue to do so on the theory that the local unit is entitled to a portion of the tax paid by local automobile owners. Inasmuch as the theory supporting taxes upon gasoline and motor vehicles has been that they are privilege taxes to be devoted to highway construction, the state might specify that the local share must be spent for street work.¹⁸ Many of the requirements for state supervision of local expenditure would not be required when the streets did not form a part of the state highway system. Present practices and rules governing city-state relations in highway building have been built upon the necessity for integrating the local program with the state's program.

¹⁷*City of Los Angeles v. Riley*, 6 Cal. (2nd) 621, 59 Pac. (2nd) 137 (1936).

¹⁸*Ingels v. Riley*, 5 Cal. (2nd) 154, 53 Pac. (2nd) 939 (1936).

Methods of Election and the Making of History

An analysis of the elections held in Europe during the past few years has made it clear that unfair methods of election have led to disaster, while fair representation has led to the cooperation requisite to the carrying on of government.

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THAT methods of election are a factor in shaping the history that democratic nations are making today is a self-evident truth. It is not only the votes but the method of election that determines the composition of a council or parliament. The old plurality system, with small election districts, has made much history in New York. It gave a maximum value to all the practices, corrupt and otherwise, that helped to secure political control of the small districts and through them of the government of the city. The new method of election used last November in New York has made history already. It has produced a council representative of New York; it is making use of civic forces, of civic leadership, suppressed by the plurality system.

Each election, local or national, and even the election of the council of the League of Nations, into which corrupt practices also entered, tells its story of the influence of the method of voting. This statement is well illustrated by a random selection of a few events of major importance made from the vast amount of material available. The first is from Great Britain which, in electing its House of Commons, still uses the single-member plurality system.

For a period of more than thirty years the relations between Great Britain and Ireland were the subject of acute party

divisions. The first occasion on which home rule for Ireland was submitted to the electors was in 1886. Mr. Gladstone was held to be heavily defeated. He was in a minority of 104 in the House of Commons. But the electoral system gave a wrong result. The voters supporting him were in a majority of some 54,000. A true representation of public opinion would have modified the attitude both of statesmen and of the press. As is well known, conversations between statesmen took place on more than one occasion, and a favorable electoral result in the early days of the thirty-years struggle would have helped these conversations to bear fruit. Further, had proportional representation been in use within Ireland there would not have been so sharp a division between the so-called solid south and solid north. Moderate opinion within Ireland was unrepresented. Its presence in the House of Commons would have helped towards a solution far more satisfactory than the Treaty of 1921, a treaty signed after a campaign of violence and bloodshed.

Let us deal with more recent happenings—the post-war years. The first post-war election in Great Britain took place almost immediately after Armistice Day. It was not necessary to hold the election so soon. The government party organizations deemed it a favorable opportunity to turn into political cash all

the sacrifices made in a common national effort. The defective electoral system played into their hands. This "hang-the-Kaiser" election, of which Englishmen are ashamed, has left its mark on all the history of the post-war years. Each district elected one member and the electors had little alternative but to vote for the candidates approved by the government that had done so much towards winning the war. Nevertheless, even in this election, the voting was five and one-half millions for the government and four millions for the opposition, the latter being mainly those holding moderate views. The electoral system deprived almost completely of representation and of effective leadership this large minority. Mr. Lloyd George became the prisoner of the Conservative majority that he had created. There is printed in Signor Nitti's *Peaceless Europe* the memorandum on peace terms which Mr. Lloyd George circulated at the Peace Conference. Signor Nitti describes it as "a memorial full of wisdom and moderation." When news of this memorandum became known in London a telegram was sent from this one-sided House of Commons signed by three hundred members reminding Mr. Lloyd George of his election pledges. What a difference it would have made to world affairs if the mind of England had been more fully and fairly expressed in its first post-war Parliament. Towards the close of this Parliament there was another historic event. The overwhelming Conservative majority, which Mr. Lloyd George had created, deprived him of the prime ministership.

A more representative Parliament was elected in 1923—one that contained a considerable number of young members of promise—many of them Liberals. There was, however, no majority for any one party in this Parliament and the problems which this situation created had not been thought out either by the schools of political science, or party

organization, or statesmen. Friction developed between the prime minister, Mr. Ramsay MacDonald, and the Liberals. Mr. MacDonald destroyed this Parliament. He advised the King to dissolve it. He did not foresee the issues that would be raised in the election. There was much feeling at that time in England against Russia and the press published what is known as the Zinovieff letter, a document of little importance but one that was turned into an election stunt, the government being accused of association with Communist Russia. A comparatively small number of voters were influenced but with the single-member electoral system this small turnover in votes cut short the political careers of many of the younger members of Parliament—men who had had nothing whatever to do with the Zinovieff letter.

NEED OF LEADERSHIP

There is much complaint of the lack of leadership in democracies. In Great Britain the sole reservoir from which political leadership is drawn is the membership of the House of Commons—and the defective method of election, because it destroys so much of the potential leadership available, has had a disastrous influence on the political development of Great Britain. With proportional representation, many of the young men of the Parliament of 1923 would be active, experienced parliamentarians today. Had this system been in force, Mr. MacDonald would probably not have dissolved that Parliament.

But to come to more recent times—the general election of 1935. This was preceded by the speech made by Sir Samuel Hoare at Geneva, a speech that thrilled many Englishmen. Great Britain, it seemed from that speech, was prepared to take the lead in making effective the work of the League of Nations. A general election was held two months afterwards. What were the elec-

tors to do in the face of such a pronouncement? They could vote either for a Labor candidate—and the Labor party had not regained general confidence—or for a government candidate—and these were mostly Conservative. The electors voted as best they could. The election gave a very large majority to the Conservatives. The sequel is instructive. Soon after the election the government announced the Hoare-Laval proposals regarding Ethiopia. There was a storm of indignation. The public protested and the proposals were withdrawn. What did the public want when it protested against these proposals? Merely their withdrawal, or did the public desire something more positive—that the Government should implement the policy outlined by Sir Samuel Hoare at Geneva? The government certainly did not implement this policy. What took place shows how difficult it is to sustain the expression of a public opinion that is outside Parliament. Had this public opinion been adequately represented within the House of Commons its influence would have been continuous and of a constructive, positive character. The single-member system has, during these last six years, suppressed much of the mind of England—and in so doing it has influenced materially the foreign policy pursued by Great Britain.

THE WAR IN SPAIN

This policy is affected by and leaves its mark on the course of events in other countries. For many months Britain has been much perturbed by the tragedy of Spain, a tragedy preceded by the Spanish general election of February 1936. To what extent was the method of electing the Spanish Parliament a factor contributing to the civil war?

The electoral law of Spain conferred a great advantage within each constituency upon the majority. In Madrid the majority could win thirteen seats whilst the largest minority, however

large it might be, only four. This fact influenced the action of parties. The parties of the left formed a Popular Front in order to secure the thirteen seats. Everywhere joint lists were arranged. In Madrid the list of thirteen comprised five left Liberals (including Señor Azana), seven Socialists (including Señor Caballero), and one Communist. The Communists were only a small party, even in Madrid. The formation of a popular front led to the formation of coalitions of the right, combinations that included Liberals of the right, Conservatives, and in Madrid only one Fascist.

In Madrid the result was as follows:

PARTY	VOTES	SEATS
Popular Front	225,442	13
Right Coalition	187,434	4

The Popular Front secured the thirteen seats; in Barcelona, it won sixteen seats out of twenty.

In a manifesto published in the English press, General Franco claimed that, while the left had gained a large majority in seats, the right had polled more votes than the left and, therefore, the government of the left lacked adequate authority. Such a result would have been possible but it would seem that the figures for all Spain were:

PARTY	VOTES	SEATS
Popular Front	4,500,000	265
Right Coalition	4,300,000	191

Spain was artificially divided into two halves, about equal in force, bitterly hostile to one another.

The joint program of the Popular Front parties issued before the election was moderate in tone, and the government formed immediately after the election with Señor Azana as prime minister was moderate in complexion. The exaggerated victory of the left was, however, followed by serious disorders, and these prepared the way for armed rebellion.

Early last year Mr. Winston Churchill, in the House of Commons, suggested that the great powers should endeavor to bring the slaughter to an end, and arrange for a Spanish solution of the future of Spain. He hoped that this solution would in the end lead to "a revival of those parliamentary institutions which in one form or another nineteen out of every twenty Spaniards never meant to lose or to see destroyed." Yet, in all probability, the Parliament of Spain will be destroyed unless democratic nations are willing to help Spain in this matter. Why should not the democratic governments supplement their policy of non-intervention by pressing for an armistice so that a temporary executive might be formed to prepare for a constitutional convention. It seems to be the only alternative to a dictated peace.

A CONTRAST IN SYSTEMS

The general election in France last year also gave birth to a Popular Front, consisting of Liberals, Labor, and Communists, a combination which was the product of the method of election. The views held by these parties diverge so much that the combination does not furnish an adequately stable basis for government. Moreover, the division of France into Popular and anti-Popular Fronts may prove to be a source of weakness and of danger to the nation.

In the countries using proportional representation, Belgium, Sweden, Norway, and Denmark, no Popular Front was formed before the elections. This is an interesting and important fact. Each party was free and able to secure representation without entering into alliances with extremists. The governments formed after the election gave expression to the will of the people. Thus in Denmark, where Labor was the largest party, the Labor prime minister, Herr Stauning, in a speech delivered after the election, summarized the gov-

ernment's policy in the following terms: "As the Radicals," he said, "have not been converted to Socialism, the Socialists cannot expect to proceed with a complete Socialist program. The two parties will, therefore, coöperate on a democratic popular basis." Party co-operation followed and was determined by the results of elections conducted under the proportional system. If P. R. had been used in Spain, no Popular Front would have been formed before the election; all parties would have been free from pre-election alliances; it would have been possible to form a government based to a larger extent upon the center forces of Spain—a government that would more truthfully have represented the mind of Spain and which would not have incurred the bitter hostility directed against a Popular Front that included Communists.

GERMANY AND CZECHOSLOVAKIA

What is to be said on the other side of the picture? It is said that proportional representation was the cause of the breakdown of parliamentary government in Germany and in Italy. The German proportional system differed materially from the single-transferable vote, the system used in New York. The German system gave extreme expression to the idea of proportionality; it endowed party organizations with the privilege of determining the order in which their candidates should be elected, and this lack of freedom for the elector irritated thoughtful voters. Nevertheless, the German system of proportional representation was not the cause of the breakdown of the Republic. Sweden, Norway, Denmark, Holland, Belgium, Switzerland, all neighbors of Germany, use proportional representation. These democracies have a longer experience of parliamentary government than Germany. It may therefore be more fair to compare Germany with Czechoslovakia, for the two republics date

from the war and both adopted proportional representation systems with "fixed" lists. Germany in many ways possessed more advantages than Czechoslovakia: there was but one language; the Reichstag had given to the country a sense of unity. In Czechoslovakia there were several races and languages; there had been no unifying parliament. Yet with the same "fixed" list system of proportional representation, the Czechoslovakian republic remains. Is it not reasonable to conclude, therefore, that the breakdown of German democracy was due to special conditions that affected Germany and did not affect Czechoslovakia? We can examine some of these factors, but before doing so I would like to pay tribute to the work accomplished by the German republic under most difficult conditions. A considered appraisal of the positive achievements of the German republic is overdue. Certainly, during its fourteen years of existence, there was increasing good-will among the other nations for Germany.

What then differentiated Germany from Czechoslovakia? The German republic was born in the hour of defeat; it was compelled to sign a humiliating treaty. If the victors had welcomed the German republic, the Allies would have won the peace; the German republic would be in existence today; representative government would be in existence over a much larger part of Europe. The plurality system used in Great Britain in the "hang-the-kaiser" election contributed to this lack of sane treatment.

As to the situation in Germany, there were no more parties in the Reichstag after proportional representation than there were before its adoption. There were no more parties than in Czechoslovakia, but parliamentary parties in Germany had less sense of the primary duty that rests upon parties to provide the nation with a government. In 1930

the Socialists withdrew from the responsibilities of government, leaving a vacuum, which had the effect subsequently of bringing into play the great powers of President Hindenburg, a senile old man who dismissed Brüning, and who then formed a cabinet of his friends and who finally appointed Hitler as chancellor.

As to Italy, a fatal mistake was made by the Italian Labor party in 1919, the year after the war. By formal resolution, it declared against parliamentary government and expressed its approval of the use of force. This resolution was reversed at a later date but for years this handicapped the Italian Labor party, which, although the largest party within Parliament, could and did not accept any of the responsibilities of government. Professor Salvemini says in his *History of Fascism* that if the Labor party had at an earlier stage intimated its willingness to coöperate in the task of government, parliamentary institutions might have been saved.

In Switzerland the constitution declares that it is the first duty of the parliament to elect an executive. In Great Britain there is a tradition that the King's government must be carried on. In the countries of Western Europe that have used proportional representation for twenty years or more, there is arising a similar tradition. At a time of crisis the leader of the Belgium Labor party said: "Belgium must have a government." He proposed that parties should compare their programs so as to proceed with the policies held in common. In Sweden, Norway, and Denmark the same common sense procedure is followed. An analysis of the elections held in Europe during the last eighteen months has made it clear that unfair methods of election have led to disaster, whilst fair representation has led to the coöperation requisite to the carrying on of government.

(Continued on Page 236)

Michigan's County Government, 1938

What form of constitutional amendment providing county home rule is most likely to be accepted by the state's voters?

J. M. LEONARD

Detroit Bureau of Governmental Research

TWICE in the past three years Michigan has attempted to amend its constitution to provide for a modern form of county government only to have both amendments defeated. But the problem of county government still awaits a solution so long as the larger cities in the state are daily confronted with problems which they, by themselves, cannot adequately solve, and yet which they cannot pass on to ineffective and inadequate county governments. On the experience of the two rejected amendments some solution may be found, so that those counties where the problem is most acute can secure the county home rule which is so essential.

County government in Michigan has been a comparatively recent problem. In 1908 the state constitution recognized that city and village government had outgrown the statutory stereotypes and provided for a relatively free hand in molding local government. Not until 1922, however, was there any concerted effort to change the constitutional county restrictions, but as the approach was based on the submission of a constitutional amendment by the legislature, it failed because of rural apathy. From that time until 1934 there was almost continual submission of statutes or constitutional amendments to the legislature seeking to change county government, but none provoked more than desultory discussion.

The 1934 amendment was based on a series of reports prepared under the direction of Lent D. Upton, director of

the Detroit Bureau of Governmental Research, by a study commission appointed early in 1932. These reports were perhaps the most ambitious attempt to study county government which had been made in any state. The 1934 amendment was written by the people responsible for the reports of the study commission and therefore reflected not academic interest, but practical judgment. However, the amendment was defeated.

The interest shown in the campaign stirred the legislature in 1936 to submit an amendment which purported to permit county reorganization, although there was considerable doubt that it would actually do so. This amendment was similarly defeated. From the experience of these two campaigns, there may be gathered some indicators by which a new approach to county reorganization can be charted.

THE 1934 CAMPAIGN

It can scarcely be said that the two campaigns were conducted in such a fashion that direct comparisons are entirely valid. The 1934 campaign was prosecuted with as much vigor as finances permitted; the 1936 campaign could hardly be dignified as such.

Briefly the high spots of the 1934 campaign were: (1) the campaign followed the publicity secured by the series of reports made by the study commission and at a time when there was considerable interest in the subject; (2) the amendment was placed on the ballot by

circulating petitions; (3) a field agent was employed who did active work outside Wayne County (Detroit); (4) regular publicity was released and used by the newspapers throughout the state; (5) the newspapers with only a few exceptions were active in support of the amendment; in fact, the major part of the campaign was borne by the newspapers; (6) in a relatively hard fought gubernatorial campaign, both candidates endorsed the amendment.

The amendment itself provided for real county reorganization, eliminating all features of the present constitution which limit the creation of a modern county government. In an attempt to make it self-executing, it was overlong in that it provided for the initiation of a county charter. No such provision exists in the present statutes or constitution, and it was thought that the legislature would nullify the amendment by refusing to pass an enabling act. The amendment permitted any county so desiring to reorganize its government in any way it wished, following much the same language of the present law governing cities and villages.

But the amendment lost. At the same time there were six other constitutional amendments submitted to the voters, which is a relatively large number for Michigan. Three of these amendments were decidedly controversial and opposed by educators and others. The result was that two weeks before the election a "vote no" campaign developed, undoubtedly playing some part in the defeat of the county amendment. The entire six amendments were defeated, with a range of 52.5 per cent negative vote for one relating to nonpartisan election of judges, to 84 per cent negative vote for an amendment relating to increasing the jurisdiction of justices of the peace. The county home rule amendment lost by a negative vote of

61.1 per cent¹—the second lowest. There was widespread interest in the amendment—some 81.6 per cent of the total vote for governor voting on the amendment—an interest which is characteristic of most Michigan referendum votes.

THE 1936 CAMPAIGN

The 1936 campaign can be related even more briefly. The amendment was submitted by a joint resolution of the two houses of the legislature, in keeping with the legislative idea of county home rule. There was no campaign of any type. The sponsors of the amendment more or less lost interest in it. Likewise, it was a presidential year with all the confusion of state issues which it brings. The newspapers made a desultory campaign—starting, then wondering, and finally becoming silent; the publicity had none of the organized, driving force of the 1934 campaign. Even in the Detroit metropolitan area there was the spectacle of the two citizen agencies of government diametrically opposite—the Detroit Bureau of Governmental Research opposing it, the Detroit Citizens League endorsing it.

The amendment itself was peculiar if not a plain legislative joker. It clearly stated that it provided for county reorganization, but likewise stipulated that any county charter must be "... subject to the constitution and the general laws of the state." The plain intent of this was to perpetuate the present limiting provisions of the constitution, and hence prevent any reasonable county home rule. Second, it provided that no charter would be effective unless approved by the major city and the balance of the county voting separately. This last, as has been shown in Ohio, is an effective barrier—as a matter of policy the balance of the county never agrees with the major city.

¹All statistics are in terms of the negative vote. If the negative vote is below 50 per cent, it means approval of the amendment.

This amendment was submitted to the voters with four others, one of which was adopted and the remaining three rejected, the negative vote ranging from 41.3 per cent (approved) for an expansion of the search and seizure law to 73.1 per cent for an amendment providing for an income tax. The county amendment received a negative vote of 56.4 per cent, against 61.1 per cent received two years earlier, or a gain of 4.7 per cent. Other amendments received more votes, but the county amendment received 76.5 per cent of the total vote for governor.

THE TWO AMENDMENTS COMPARED

If it could be shown that the two amendments were clearly understood by the electorate, then the fact that one was a real county home rule amendment while the other would have permitted only minor changes would be of great help in the analysis. The better showing for the state as a whole on the 1936 amendment would then indicate that the milder the form of the amendment, the better its chance for approval.

Unfortunately, the evidence is not very clear that the 1936 amendment was understood to be merely a gesture toward county reorganization. A study made of the 1934 amendment indicated that voters expressed their prejudices on the county amendment without understanding clearly on what they were voting. This is perhaps true of the 1936 amendment.

Some evidence that the 1936 amendment *was* understood is said to be indicated by the vote in Kent County, in which Grand Rapids is located. Because the amendment did not give a real measure of county reorganization, the negative vote increased from 57.1 per cent in 1934 to 69.7 in 1936. In Wayne County (Detroit), however, where the interest is perhaps greatest for a real county change, the voters approved the 1936 amendment by 3.3

per cent more affirmative votes than in 1934. In Oakland County, which also seeks real county reorganization, there was an increase of 1.3 per cent affirmative votes.

Those counties voting against the amendment by 70 per cent or more negative votes, comprise the group most violently opposed to county reorganization. In these fifty-five counties the 1936 amendment showed an increase in the negative vote in twenty counties, and a decrease in thirty-six counties over the 1934 amendment. This would indicate that the greater part of these opposition counties favored the less strenuous amendment.

But the evidence is not entirely clear. Nowhere in the state, and this is particularly true of Wayne and Oakland Counties, was there any newspaper publicity in 1936 which would aid the voter in forming an opinion. It seems that it is fairly safe to assume that the 1936 amendment gained votes because of the carry-over of the 1934 campaign, in addition to the augmented grievances gathered by the electorate during the two years of county government since the last submission. From this standpoint, there is a hope that any new amendment would receive a favorable reception.

ATTITUDE TOWARD COUNTY REORGANIZATION

Chart I indicates the general attitude of the state toward county reorganization. The solid black sections show counties which voted against both amendments by negative votes of 70 per cent or more. These consist of fifty-six counties (out of a total of eighty-three) with a population of 1,106,000 (1930), or 22.9 per cent of the total state. They accounted for 28.0 per cent of the total vote on the 1936 amendment, with an average of 76.7 per cent negative vote. In most of these counties the government is simple,

VOTE ON COUNTY HOME RULE
CONSTITUTIONAL AMENDMENTS
1934-1936

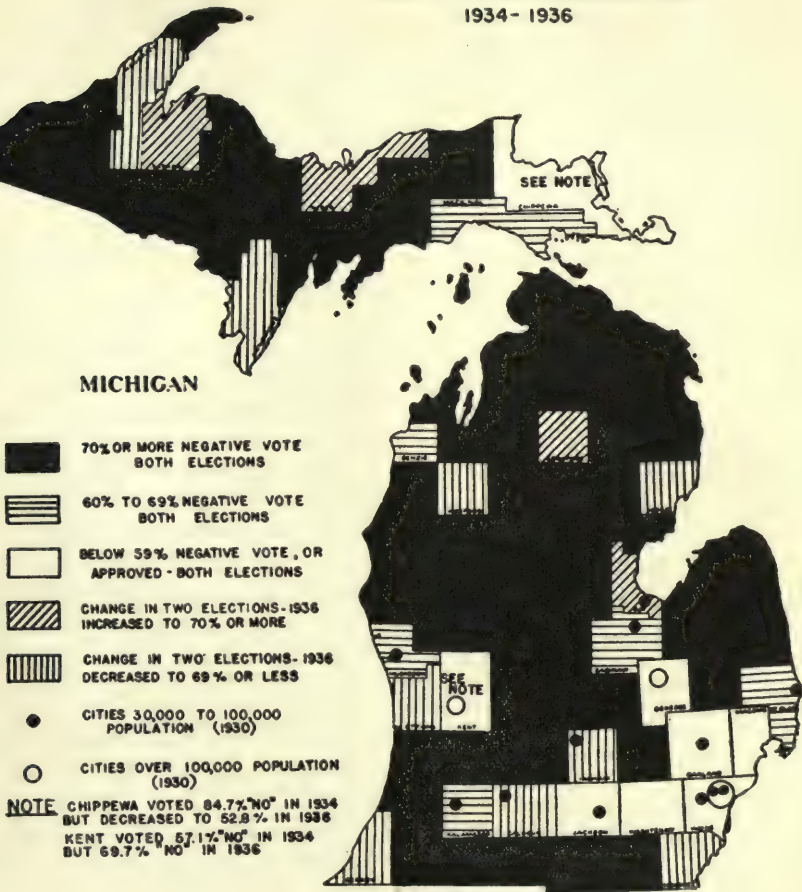


CHART I

often employing only one or two full time county officials, so it is doubtful if they would ever take advantage of any type of home rule amendment. The present constitutional provisions set up a county government for counties of about the same economic development as is found in this group today. Because this group of counties rejected both amendments by votes ranging from 70 per cent to 90 per cent negative votes, it may be assumed that they are opposed to any change in county government, and any future amendments relating to county home rule can ex-

clude them entirely without any great harm.

The shaded portions of the chart show counties which voted against the amendments by negative votes of 60 per cent or more in 1934 to the 60 per cent-69 per cent range in 1936, and five went from the 60 per cent-69 per cent group in 1934 to the 70 per cent and over group in 1936. It might be said that about fifteen of these twenty

counties are mildly interested in better county government, and with an aggressive campaign may be persuaded to adopt, or at least register only slight objections to, any future county amendments. These twenty counties have a total population of 948,950, or 19.5 per cent of the total state, but accounted for 21.0 per cent of the total vote on the 1936 amendment with an average negative vote of 67.2 per cent.

The counties shown in white are those which have voted against the two amendments by less than 60 per cent negative votes in both elections. These are the counties that have the greatest interest in county reorganization and in which there is greatest hope of achieving adoption. The seven counties in this group have a total population of 2,787,329, or 57.9 per cent of the total state, but account for 51.0 per cent of the total vote on the 1936 amendment, with an average negative vote of 41.9 per cent. The favorable vote in these counties is not sufficient to overcome the antagonism in the other two groups of counties.

The chart shows the localization of the attitude toward county change. The most favorable counties are those in which a large city is located, and most are adjacent to Wayne County (Detroit). Of the fifteen cities over 50,000 population in the state, shown on this chart, eight have the city manager plan of government. One, Detroit, has an excellent type of the strong mayor plan. In fact, only three of the

fifteen have forms of city government that may be called obsolete. It is undoubtedly the contrast between the archaic county government and the modern forms found in cities that has been the greatest aid in the campaign for adoption of the amendment.

Table I summarizes some of the information given above.

The general conclusion drawn from this table is that the more sparsely settled the area, the more intense the objection to county reorganization. There is much overlapping, however, of the various areas. For instance, in the most favorable group (under 59 per cent negative) the population density for the counties ranges from 93.1 to 3,046.7 persons per square mile. In the second group (60 per cent to 69 per cent negative) the range is from 5.0 to 210.8 persons per square mile. And in the last group, where the counties are most adverse to change, the range is from 3.8 to 97.1 persons per square mile.

There are differences in voting characteristics, too, which vary according to the population density as shown in table II.

These two groups of counties were selected at random and consist of laterally adjacent counties grouped according to their attitude toward county reorganization. It is noticed that the citizenship status and interest in the county reorganization amendment (per cent voting for governor voting on amendment) is about the same for both groups, but that the favorable group is

TABLE I
POPULATION DENSITY BY VOTING GROUPS

<i>Per Cent Negative Vote</i>	<i>Square Miles</i>	<i>Per Cent of Total</i>	<i>Population 1930</i>	<i>Per Cent of Total</i>	<i>Population Density per Square Mile</i>
Under 59	4,904	8.4	2,787,329	57.3	556.9
60 to 69	14,483	25.2	948,950	19.6	65.5
Over 70	38,093	66.4	1,106,046	22.8	28.0

TABLE II
VOTING CHARACTERISTICS, COUNTY HOME RULE AMENDMENT, 1934

County	Population Density	Per Cent Citizen- ship*	Per Cent Citizens Voting for Governor	Per Cent Voting for Governor Voting for Amendment	Per Cent Not Voting on Amendment
<i>Favorable</i>					
Kalamazoo	162.6	59.9	45.6	81.5	63.0
Calhoun	125.6	61.8	42.4	84.3	71.5
Jackson	130.6	61.9	47.7	79.2	51.5
Washtenaw	93.1	63.2	50.1	90.1	58.9
Macomb	163.4	49.6	56.3	75.8	52.1
Average	131.7	59.5	47.5	81.8	59.7
<i>Unfavorable</i>					
Oceana	25.4	56.3	60.6	76.5	79.2
Newaygo	20.0	57.0	62.6	81.0	78.5
Mecosta	27.6	57.5	64.2	82.6	81.4
Isabella	36.9	52.3	65.5	81.8	79.4
Midland	36.2	51.6	56.9	83.5	71.4
Average	28.3	55.4	62.0	81.3	77.8

*Citizenship—the ratio of persons over twenty-one years of age, possessing the qualifications of citizenship, to total population.

not as active politically as the unfavorable. This is shown by less than 50 per cent (47.5 per cent) of those who possess citizenship who voted for governor, against 62.0 per cent in the unfavorable counties. Thus, because more people participate in elections in the unfavorable counties, although only the same ratio expresses an opinion on county home rule amendments, these rural counties pile up a larger percentage of negative votes than do their more populous favorably disposed neighbors.

ANOTHER STATE WIDE AMENDMENT

The two amendments offered thus far have had state-wide application to any county desiring to use them. They were permissive, thus differing from the present constitutional provisions. This factor, however, did not seem to greatly influence the vote. The evident attitude was that any change in the constitution might in some way affect the counties. They are now organized under the rigid rules of the constitution, and do not want any change. There is little doubt that only a dozen of the eighty-three counties perhaps feel a real need for a change in their government, although it

is likewise true that all counties could simplify their government not only for economy but for efficiency and greater control as well.

The fact that two amendments, statewide in application, failed, does not lead to much enthusiasm for resubmitting a new amendment of the same extent. Table III shows one estimate of what might possibly happen basing the assumption on the most favorable experience of the past two elections.

TABLE III
MORE FAVORABLE VOTE—1934 AND
1936 AMENDMENTS

	Vote 1934	Vote 1936
30 counties which showed a more favorable vote in 1934	77,360	
53 counties which showed a more favorable vote in 1936		508,890
1934 vote correction for larger 1936 election		100,690
Total		609,580
Total votes cast, county amendment		1,336,372
Per cent of more favorable votes to total vote, 1936		45.5

In each case above, the more favorable vote in *either* election was taken as characteristic of the county. Also, a correction was made for the 300,000 more votes cast in the 1936 election. But it is apparent, using these conditions, that any state-wide amendment may fail by 60,000 votes. It appears then, that based on the most favorable vote in the last two elections, there is more than a reasonable doubt that any state-wide county amendment would fail. The basic assumption is, of course, that the campaign for adoption will be on much the same scale as in the past—which appears to be reasonable at this time.

A second approach to the same problem is shown in table IV where the basic assumption is a campaign of more intensity than that of 1936.

In the estimate here, it was assumed that because of a more intensive campaign it would be possible to reduce the negative vote of the first group from an actual vote of 42 per cent to 38 per cent, and the second group from 67.2 per cent to approximately 60 per cent, and the least favorable group from an average negative vote of 76.7 per cent to 70 per cent. This is, of course, optimistic, and does not consider that perhaps some votes for the 1936 amendment were cast because it was an innocuous amendment. But even this favorable situation does not give a margin of approval which would insure success—the negative vote remains at 51.1

per cent, with the amendment losing by some 27,000 votes. This is, of course, a small number and might be switched with a proper campaign, but the indications are clear that any state-wide amendment, on the lines of those submitted in the past, will not be easy to secure, even with an aggressive campaign. This is due to the heavier vote in the rural counties which see no need for a change.

A LIMITED CONSTITUTIONAL AMENDMENT

It appears then that the adoption of a state-wide amendment would encounter difficulty—at least it would not be easy. Of greater significance is the fact that a large number of counties will probably never see the need for changing their government, making it doubtful if another state-wide amendment should be urged.

It would seem that any future county amendment might be restricted to those counties which have indicated most interest in the subject. Not only would such an amendment receive the same favorable vote as in the past, but it should to a considerable extent allay the fears of the other counties. In theory at least it would seem that some such plan would have a more successful outcome than the state-wide amendments. The question is, what limitations may be imposed?

Table V shows the fifteen largest counties in the state arranged according to size, together with the vote on the two amendments.

TABLE IV
MODIFICATION OF 1936 AMENDMENT VOTE BY GROUPS

<i>Vote Group</i>	<i>Total Vote on Amendment</i>	<i>Per Cent Negative Vote</i>	<i>MODIFICATION Per Cent Negative Vote</i>	<i>Estimated Negative Votes</i>
Under 60%	715,696	41.9	38.	272,000
60% to 69%	248,056	67.2	60.	148,800
Over 70%	372,620	76.7	70.	260,800
Totals	1,336,372	56.1	51.1	681,600

TABLE V
ATTITUDE COUNTY HOME RULE — LARGEST COUNTIES

County	1930 Population	Per Cent Population in Major City	Constitutional Amendment	
			Per Cent Negative Vote 1934	Per Cent Negative Vote 1936
Wayne	1,888,946	83.1	40.4	37.1
Kent	240,511	73.3	57.1	69.7
Genesee	211,641	74.2	55.5	47.5
Oakland	211,251	30.7	45.4	44.1
Saginaw	120,717	66.9	60.1	65.2
Ingham	116,587	67.2	79.5	65.1
Jackson	92,304	59.9	51.4	58.5
Kalamazoo	91,368	59.5	63.0	59.5
Calhoun	87,043	50.3	71.5	59.9
Muskegon	84,630	48.8	60.7	63.0
Berrien	81,066	29.2	79.8	67.8
Macomb	77,146	17.1	52.1	45.3
Bay	69,474	68.1	63.9	72.2
St. Clair	67,563	46.5	63.5	69.1
Washtenaw	65,530	41.1	59.4	58.1

There are some peculiarities in these counties. Ingham and Jackson Counties have relatively the same population and have a similar industrial development, yet Ingham is relatively unimpressed with county reorganization while Jackson is most receptive. These differences are undoubtedly due to the attitude of local newspapers, citizens' organizations, and especially to local difficulties with county officials, because the need for change is present in almost equal proportions in both of these counties.

The only satisfactory limitation is one based on population. From the data submitted here, it appears that the larger counties have the most favorable attitude toward county reorganization. The fifteen counties listed in table V include the seven which voted for both amendments by negative votes of less than 59 per cent (the most favorable group) in addition to others not so friendly, but exclude no county which has shown any interest in the two amendments.

If the amendment were written to apply to counties of 50,000 or more population, it would include eighteen of the eighty-three in the state—three more than were included in table V. Although some of these counties have indicated

no interest at the present time, it may be assumed that as they grow above 50,000 population the problems of county government will increase to a point where reorganization will be desirable. Perhaps such an amendment would be the most liberal of any that could be submitted based on population limits. It would affect 76.1 per cent of the total population, and thus would be almost as difficult to effect as a state-wide amendment.

A limitation of 65,000 population would include all counties interested. This low limit is considered because of the favorable vote in Washtenaw County (Ann Arbor), but neither of the next two larger counties has expressed much interest in the amendments. This limitation would affect 72.5 per cent of the total population.

A limitation of 75,000 population would affect twelve counties of which seven are most favorably disposed in the state. But it also includes a few, like Ingham, Calhoun, and Saginaw, which are relatively neutral and can scarcely be counted upon for any great support. The 75,000 limit would affect 68.5 per cent of the total state population.

An amendment limited to counties of 200,000 population or more would affect four counties (containing 52.9 per cent of the total state population) where there has been, with the exception of Kent, almost uniform agreement as to the desirability of county reorganization. The difficulty of this limitation is that it excludes Jackson County which likewise has indicated considerable interest in the county government, due mostly to a rather unsavory experience with several county officials in the past.

The final suggestion is that the amendment be restricted to Wayne County alone, containing about 39 per cent of the total population of the state. There is a great legislative habit of approving measures for Wayne County alone, and perhaps a constitutional amendment would be accepted in the same spirit. But this would exclude Oakland County which was the only county, aside from Wayne, approving the county amendment in both elections.

Just what limits should apply is a matter for decision by those who are favorable to modernization of county government. But it appears that definite limits are very practicable, and that for the most part, the attitudes of the counties toward reorganization fall within population limits. The decision is mostly one of "strategy"—how to quiet the fears of the fearful, and how to secure approval of those who are most affected by need for changes in county government.

TYPE OF AMENDMENT

The 1934 campaign, based on an amendment which would have provided real local determination of county government, had apparently one serious defect—the composition of the legisla-

tive body. In the present constitution the provision that each township shall have one representative on the county legislative body gives control of the county to the rural representatives, although having a minority of the population in all but a few of the counties. There is, perhaps, no justice in this, but likewise there is no reason for these rural voters to be enthusiastic about any county reorganization amendment which would limit their voice in the legislative body of the county. They have not done a very good job, but they do have control and are reluctant to release it.

No county reorganization, however, could continue such a situation because it gives a legislative body in Wayne County of some 151 members in order for Detroit, with 80 per cent of the population, to have a majority on the body. It is entirely practicable, however, to write safeguards into the proposed amendment so that the rural districts will not be excluded from proper recognition, even beyond that of their population strength.

It is thought that any new amendment on county government submitted in Michigan has more than a fair chance of adoption if it is (1) limited by population to a small number of counties who have indicated a desire for change; (2) permissive and not mandatory for the counties to which it applies; and (3) that it definitely provides for minority representation in the legislative body for the territory outside the major city.

AUTHOR'S NOTE:—An amendment can be submitted to the people of the state in the election held November 1938, if petitions with 174,977 (10 per cent of the total vote for governor) signatures can be secured prior to July 1938, or at least four months before the election.

Letters to the Editor

To the Editor of the NATIONAL MUNICIPAL REVIEW:

"Representation of Metropolitan Districts," the article by David O. Walter in the REVIEW for March, has been read with appreciation of its informative statistics and analysis of the problem of representation among metropolitan city areas. I do not find in it, however, any suggestions as to the possible philosophy or political theories which account for the refusal of rural state areas to grant increasing representation to the growing cities of metropolitan size.

Possibly Mr. Walter, like many others, fails to find or declines to accept any philosophy or theory, aside from the political self-interest to all of the representative districts concerned, rural and urban. Hence I raise the question whether different interpretation might be well founded and therefore helpful to solution of the problem involved.

According to Mr. Walter's discussion of the differing types of people, political representation, parties, etc., in the metropolitan and rural areas, it is easy to explain why different types of representatives are sent to state legislatures under these conditions. Briefly, it appears that rural areas, for a variety of reasons, often furnish a higher average of individual ability in legislators than the same number of urban districts. The major cities suffer from mediocrity in representation.

But a more basic problem appears in the control of present political machines over metropolitan cities. When the New York State constitutional convention of 1915 accomplished its creditable result, I recall that Charles Evans Hughes, Elihu Root, and Rufus Choate, who

were members, enunciated a theory of representation somewhat like this: a given number of districts in a metropolitan area, which are contiguous geographically, have a political advantage over the same number of districts scattered through the rural areas of a given state. Therefore it is politically unfair to grant equal representation in numbers to the metropolitan districts, because of the greater ease with which their common political interests can be protected and directed, as compared with the same number of rural districts.

In this rough statement may be found the implicit and rarely accepted reason why every American state having a metropolitan city just naturally refuses to reapportion on a population basis. The unfairness of *equal* representation is a matter of political instinct, though not of published principle.

Second. I raise the question whether under these conditions metropolitan cities of America will do better for themselves by ceasing to demand equal representation on the basis of population, in both legislative chambers, while they spend their efforts intensively toward achieving a higher level of individual ability in their legislative personnel. Good authorities can be found, who are practical politicians in the good sense, and who contend that a fair equilibrium in legislative results can be achieved just as well by a small number of legislators who know their business, as by a large number who are unwisely directed or who are known to be dominated by a gang of machine politicians.

Very truly yours,

W. P. LOVETT

Detroit Citizens League.

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

The Regents' Inquiry Reports Need for School District Centralization in New York State.—A new plan for linking together New York's six thousand little red schoolhouses and establishing modern central schools throughout the entire state was issued as the first conclusion and recommendation of the Regents' Inquiry into the Character and Cost of Public Education in the State of New York.

The plan is in essence a method of extending New York State's existing system of central schools to all of the territory in the state outside the cities, which already have their own central systems. The new plan relies on "the democratic process" in that the master plan for the state as a whole, though adopted by a special state commission appointed by the governor for the purpose, will be based on local plans drawn by regional committees after local study and extensive public hearings. While the new larger and more efficient districts will be set up in accordance with this plan as worked out by state and local co-operation, even then no little red school will be closed until the voters of the former district vote to close the school itself. But the administrative unit will be enlarged so that there can be proper supervision of the teacher in the single-teacher school, and so that the older children can be taken to central schools and offered the opportunity of a modern education.

The advantages of this centralization are many. First, the children would benefit through better schools, larger classes, and better prepared and supervised teachers. They will also have more books in the library and more

attention given to health and other special needs.

Second, the teachers themselves would benefit. In large districts the teachers can have better salaries, graded classes, good supervision, tenure, and more satisfactory local living conditions, all of which are necessarily lacking in small districts.

Third, the taxpayers locally and in the whole state would benefit. Larger districts will greatly reduce small classes which are expensive. Hundreds of small districts with four or less pupils, paying an average of \$397 per pupil for education, will be able to provide a better education at about one-third the cost. Local valuations varying from \$800 to \$114,000 in small districts will be "ironed out" in larger districts.

Fourth, the local school board, other school officials, and the State Education Department would benefit. With larger districts the local board can afford a superintendent or supervising principal, and a clerk to keep records and make out reports, facilitating the better management of the district's affairs. The State Education Department could deal more efficiently and effectively with local school officials than with classroom teachers.

The preliminary statement cites centralization of school districts as a prior and fundamental need in New York, without which many other improvements to the educational system cannot effectively be made.

Studies of district organization, school costs, and state aid, as well as other studies bearing directly upon the central issues and major problems in public education will be published this spring when the final report of the Inquiry is made.

STERLING ANDERS

Regents' Inquiry into the Character and Cost of Public Education in the State of New York

Seattle Elects a Mayor.—Seattle voters in a nonpartisan election on March 8th elected Councilman Arthur B. Langlie, businessman's candidate, as mayor for the two-year term beginning next June. Langlie decisively defeated Victor A. Meyers, colorful jazz bandman and present lieutenant-governor of the state of Washington, by a final unofficial vote of 78,997 to 48,411, as a record number of voters turned out to bring to a close a month of vigorous campaigning and political turmoil. Langlie will succeed John F. Dore, twice mayor but easily eliminated in the February 21st primary, when he received only 19 per cent of the total vote to finish a bad third in a nine-man field. Mayor Dore's unexpected early elimination is attributed by Seattle commentators to widespread dissatisfaction with his relations with A. F. of L. leader Dave Beck, plus a serious illness that kept him from campaigning.

Langlie entered politics three years ago as council candidate of the now disintegrating Order of Cincinnatus, a young businessmen's, real estate and tax-reduction group dedicated to clean government; but he campaigned this time as an independent, professing complete aloofness from Seattle political party organizations, and speaking of himself as "the people's candidate." He made a straightforward campaign of the type calculated to appeal to conservative and middle-of-the-road voters, and attracted to his standard in the final election the support of big businessmen, small businessmen, middle-class conservatives, some A. F. of L. trade unionists, and many independents who were ready to turn to the right after several years of intermittent labor warfare in the city. Langlie almost ignored his opponents during both primary and regular campaigns, and emphasized in his program (1) need for sound municipal finances based upon efficient but low-cost government; (2) opposition to additional taxation; (3) solution of Seattle's twenty-year-old transportation problem, inherited from former Mayor Ole Hanson's purchase at an alleged excessive price of the present obsolete street railway system; (4) opposition to labor racketeering and labor irresponsibility, but impartiality in the current A. F. of L.-CIO struggle; and (5) re-establishment of Seattle's reputation with the rest of the country. He anticipates the support of a council majority, since only one of the six incumbent councilmen can be counted an

opponent, and all three of the candidates just elected are probably favorable to his program.

Lieutenant-Governor Meyers from the beginning of the campaign appealed directly to labor and liberal support. He came out strongly for (1) labor unity; (2) low-cost public housing; (3) maximum relief payments; (4) the six-hour day; (5) new water, occupation, and chain-store taxes, if necessary to solve Seattle's fiscal problems. Meyers was backed by the Washington Commonwealth Federation, progressive political coalition now working within the state Democratic party as its "left wing," by CIO unions, by some A. F. of L. rank-and-file unions, by unemployed groups, and by independent liberals. Despite his realistic campaign many Seattle voters evidently translated a dislike of the alleged Dave Beck competition-eliminating price-fixing into hesitancy to support any labor candidate. His failure also revealed the lack of experienced and convincing candidates among Washington liberals and CIO unionists.

Such traditional municipal issues as public ownership and city manager government were absent from the campaign.

Seattle's three big daily newspapers avoided open partisanship, but all rejoiced editorially at Langlie's victory.

Seattle thus faces two years of government by a moderate conservative with an indefinite mandate from a heterogeneous group of voters and strong support in the city council. Langlie's opportunity to become the "people's mayor" probably depends upon his own ingenuity and the degree to which some of his more powerful backers will allow him to act independently.

ROBERT L. FISHER

College of the City of New York

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Manager Plan Developments.—The town of Springfield, Vermont, (4,943) voted on March 1st by an overwhelming majority of eight to one to continue the town manager government which has been in effect for eighteen years. Huron, South Dakota, (10,946) on March 15th voted to retain the manager plan by a majority of 2,004 to 758. Beloit (23,611) and Fort Atkinson, Wisconsin, (5,793) both voted on April 5th to retain their present manager charters. In the former city the vote was 3,502 to 3,142; in the latter 1,202 to 870.

Much interest in the manager form of government has been expressed at recent annual meetings of Maine towns. Dover-Foxcroft, at its annual town meeting held March 14th, adopted a manager plan charter by a vote of 292 to 141. The charter had previously been approved by the 1937 Maine legislature. Milo, at its annual meeting, also adopted the plan by a vote of 240 out of 256. Voters of Freeport instructed the moderator of their town meeting to appoint a committee of five to investigate the advisability of adopting a council-manager form of government and to report back to the meeting. Brunswick at its meeting on March 1st adopted a proposal to appoint a committee to draft a town-manager charter for submission to the legislature. The same action was taken by the voters of Caribou at a meeting held on March 21st. Pittsfield voted on March 14th to petition the next legislature for a town manager charter. Machias took the same action at its annual town meeting held March 30th.

On March 22nd Odessa, Texas, defeated a proposed manager charter by a vote of 820 to 400. Braintree, Massachusetts, (15,712) at a recent town meeting defeated a referendum providing for town manager government by a vote of 2,040 to 1,757. Fort Collins, Colorado, (11,489) on April 5th defeated a proposed manager charter by a vote of 1,902 to 1,546. In Grand Forks, North Dakota, (17,112) which also voted April 5th on a new manager charter, the vote was 3,325 to 2,905 in its favor. Since a four-sevenths majority was needed, however, the charter failed of adoption.

Chesterfield County, West Virginia, (26,049) will hold a referendum on the adoption of a county manager charter on May 12th. This will be the second time in seven months that this question has been submitted to the voters.

Houston, Texas, (292,352) has a commission for the drafting of a new charter. Much interest in the manager plan has been expressed. In Montreal (818,577) also, where a charter commission has recently been appointed, the manager plan is being discussed.

Survey of Manager Governments Undertaken.—The Committee on Public Administration of the Social Science Research Council is undertaking a survey, through the facilities of its own staff and through coöperation with

numerous faculties in the colleges and universities throughout the country, of cities which are operating under the council-manager form of municipal government.

A comprehensive "pilot" study of the council-manager plan in Austin, Texas, has been prepared by the staff of the committee and exhaustive outlines and specifications for the use of those who find it possible to coöperate in this research project have been developed. The result should be a series of thorough surveys which, because of the availability of such outlines and specifications will yield comparisons not otherwise attainable.

The project specifications are in three main divisions: Part I, political, social, and economic phases of council-manager government; Part II, administration under the council-manager plan; Part III, public opinion on the city government and council-manager plan.

The International City Managers' Association reports that more than 11,000,000 people are now living in cities having council-manager government.

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State Constitution Revision Undertaken.—This month the New York State constitutional convention is meeting in Albany, beginning April 5th, and on May 11th convention delegates will gather in Concord, New Hampshire, to discuss proposals for amendments to the constitution of that state.

Probable measures before New York's 168 delegates include: reorganization of the judicial system and changes in state administrative departments, and creation of a state department of justice to coördinate state and local agencies for crime control; broadening of city and county home rule, and limiting of local mandatory expenditures and municipal indebtedness; proportional representation; improvement of state budgeting methods; state aid to highways, public and sectarian schools, health, and poor relief; tax exemptions and tax limitation; consideration of initiative and referendum proposals; reorganization of state and local civil service, including pension systems; labor and social welfare matters.

Among subjects reported as facing the New Hampshire convention are: tax revision, including graduated personal income and sales tax proposals, and revision of forest and real estate levies; time limit on legislative sessions; reduction of size of lower legislative house, now numbering 418 members; possibility of establishing the office of lieutenant-governor.

Planning Boards Federate in New York State.—In order to provide a medium for the interchange of ideas and experiences in planning and zoning matters, to sponsor legislative programs for the improvement of the planning laws, and for related purposes, the New York State Federation of Official Planning Boards was recently organized by representatives of regional, county, city, town, and village planning agencies in that state. Temporary officers include J. Franklin Bonner, director of the Monroe County Division of Regional Planning, *president*; and Thomas W. Mackesey, of the Division of State Planning, *secretary*.

All official planning agencies in the state, including zoning boards of appeal, are eligible for membership; associate membership is open to unofficial organizations and to individuals interested in planning. A state conference will be held this spring.

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Michigan League Aids Personnel Administration of Sixteen Municipalities.—Installation of service rating systems in Saginaw and Kalamazoo marks a new stage of development of the municipal personnel service of the Michigan Municipal League. Since it was set up in February 1936, a total of sixteen cities and villages have utilized some part of this service. The league, on a "contract and cost" basis, offers assistance ranging from establishment and administration of whole or partial merit plans to giving tests for a single position.

Saginaw, Kalamazoo, and Royal Oak have contracted for the full administration of their personnel programs by the league's service. Other cities where work has been done range in size from Flint, with a population of 156,000 and 1100 classified employees, to Marine City, population 3,500, where eleven employees are under the merit system.

The small municipality's civil service operative needs are taken care of in several other states besides Michigan, according to the Civil Service Assembly. New Jersey cities may by referendum place their employees under the jurisdiction of the state civil service commission. In New York the state commission supervises civil service in small towns and villages. Arkansas and Tennessee passed civil service laws in 1937 enabling the state to serve municipalities on a contract basis. California counties also may perform person-

nel work for cities and villages within their areas on a contract basis.

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Civil Service Survey of National Scope Undertaken.—An unprecedented nation-wide survey of public personnel administration was announced on March 23rd by the Civil Service Assembly of the United States and Canada. It is expected to be in progress more than a year, and will require the coöperation of civil service agencies in about forty jurisdictions. The actual policies and procedures of these will be gone into and on the basis of the experience of the agencies studied and the advice of personnel authorities, standards of practice will be worked out.

Among jurisdictions coöperating in the project are the city and county of Milwaukee, Wisconsin, where representatives of the CSA are already at work; Duluth, Minneapolis, and St. Paul, Minnesota; Tucson, Arizona; Los Angeles County and San Francisco, California; Cincinnati, Ohio; Denver, Colorado; Jefferson County, Alabama; Knoxville, Tennessee; and New York City; and the states of New York, New Jersey, Massachusetts, Michigan, and Wisconsin.

The survey is not to be a probe, and no recommendations for changes in any individual system will be made, but in each jurisdiction visited the assembly's field men will gather material by interviews with personnel officials and through examination of files and records, following an outline completed with the aid of personnel authorities from all sections of the country. All information will finally be assembled on a functional basis, so that policies followed by civil service jurisdictions on position classification, test procedures, etc., may be seen at a glance. The entire collection of material will then be prepared as an authoritative guide to policies and practices in the field of public personnel administration.

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Relief Load Increasing; Financial Provisions Lag.—On March 20th the American Association of Social Workers announced the results of a broad survey of the relief situation, which showed a marked increase in relief applications and generally inadequate means of providing relief. The inquiry covered forty-three representative areas in twenty-eight states. Among the findings included in a summary of significant points were:

Periodic relief cessation in many sections, and direct relief allowances "shockingly low" in

many other areas; available state and local funds for direct relief exhausted in many sections; eligibility rules for relief being made more rigid; evidence that the WPA program has not been able to absorb all employable needy on relief rolls; WPA wages inadequate for large families in some sections;

Little or no care available for transients in many areas, and denial of direct relief or WPA placement to aliens in some sections; widespread layoffs in industry and drastic payroll cuts; low-paid jobs in private employment forcing full-time workers to seek supplemental aid; federal surplus commodities, intended as a supplement to relief, being issued in place of relief in some southern areas.

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Progress in Police Training.—Proposed legislation in New York would make it the first state with mandatory schooling of policemen in service, according to the International Association of Chiefs of Police. Under the proposal, any person appointed or employed as a police officer after July 1, 1938, on any city's police force totaling four or more members, must attend a police training school for at least two weeks during his first year on the job. The training schools must be approved by the New York State Board of Regents. The state department of education will help organize courses of study for patrolmen in service who want to take examinations for promotion, help establish classes in the public day and evening schools, and cooperate with colleges and universities in setting up special courses and issuing certificates.

Policemen were among the first governmental employees for whom in-service training was provided, the IACP pointed out. New York State itself, through its conference of mayors, has had police training courses for ten years.

Short training courses have been held annually by other leagues of municipalities in Kansas, Minnesota, Oregon, Texas, and Virginia, and they recently were instituted in Colorado and Michigan. Several universities, among them Northwestern, Purdue, Fordham, the Universities of California and Southern California, and Massachusetts Institute of Technology schedule classes in criminology for peace officers of experience. Another recent development is the Federal Bureau of Investigation's National Police Academy, which in 1935 invited the first group of municipal law enforcement officers to Washington for a

six weeks course, and from which 187 state and municipal police officers have graduated in two and a half years.

The Northwestern University Traffic Safety Institute has received a grant of approximately \$15,000 from Alfred P. Sloan, chairman of General Motors Corporation, to provide twenty police fellowships at the institute. Twelve of the fellowships will be granted to active policemen for study at Northwestern University, who will be selected on the basis of the outcome of the National Safety Council's annual contest, the winning states and cities being entitled to nominate men for the fellowships. The institute's seventh traffic officers' training school, a basic course for municipal police, was held from March 14th to 26th at Evanston, Illinois.

The second annual traffic officers' training school for police and traffic officers in Pennsylvania will be held April 18th to 29th at State College, under the auspices of the Institute of Local Government of Pennsylvania State College. The director of the school is Captain H. S. Carey, Altoona police chief and chairman of the educational committee of the Pennsylvania Chiefs of Police Association.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

The Mississippi Industrial Program.—The Mississippi industrialization program received a decided impetus in the recent Supreme Court decision (*Albritton v. Winona*) upholding HB No. 1 of the 1935 extraordinary session.

This measure created a three-member industrial commission empowered to pass upon applications of cities, counties, or both for certificates of public convenience and necessity authorizing special elections upon bond issues to finance the construction of industrial plants to be equipped and operated by the municipality or leased to private persons. Approval of such certificates depends upon proof that the resources and labor necessary to operate such an enterprise as that proposed exist within a given radius. The bill sets forth that the state's obligation to its citizens may be regarded as extending to the fostering of a program designed to balance

agriculture with industry and thereby to provide work for surplus labor. After about one year of operation unchallenged, it appeared necessary to ascertain the constitutionality of the act. Specifically, certain major industries indicated an interest in locating in the state provided they had assurance of the law's validity.

Reviewing the provisions of the industrial act, the court held: (1) the care of the poor, the relief of unemployment, and the promotion of agriculture and industry are undoubtedly proper governmental purposes and are so recognized everywhere and by all; (2) the method provided in the industrial bill is held reasonable; (3) it is pointed out that the tax levied to retire bonds issued under the act goes to pay for a site and building, control over which remains in the municipal corporation; (4) although the statute does not prescribe the terms of leasing, it is presumed that care would be taken that the leases are so worded as to regulate the operating conditions of the industry so as to meet the purposes of the act, that is, to promote the public welfare by providing employment for surplus labor, to provide a means of using natural resources and products of the state, and to promote agriculture; (5) the power of eminent domain is not the state's taxing power, but the power of the state to take a specific piece of individual property for public use. The statute does not permit subscription to stock or loaning of credit; it merely permits the leasing of municipal property for use by private individuals.

It would seem that the court is alive to the growing tendency of government to take a guiding hand in relationship to private business, in so far as it is affected with the public interest. Community action in securing industries is no new thing, but action by the public authority to procure enterprises excites considerable comment because of its departure from the preceding method. Industrial America has enjoyed governmental protection against foreign competition under a protective tariff since the beginning of the republic. The inequalities between a protected industry and unprotected agriculture will eventually drive the agricultural areas to seek industries to take care of surplus labor, and build up per capita income, in order to promote better opportunities for its citizenry.

It may be interesting to cite the achievements under the law up to the time of its court test. To date, nine certificates of public convenience and necessity have been issued by the industrial commission authorizing elections to be held on bond issue proposals, and eight of these received the required two-thirds majority. These authorized the issuance of \$307,000 in bonds and the use of \$10,000 of unexpended public funds to acquire sites and construct buildings to be leased to eight new industries employing about 2,200 persons, and increasing the industrial payroll of the state approximately \$1,500,000 annually and adding \$2,500,000 of taxable personal property to the tax rolls after the five-year tax exemption period has expired. The cost to the state in handling the program thus far, November 4 to June 30, 1937, has been \$15,000.

It is possible that some of these industries may not succeed, but American industry has always had its percentage of failures. It is a feature of the act that the commission shall approve a bond issue referendum only if satisfied that the labor supply and materials are adequate and, more important, that the proposed industry is substantial and may be depended upon to remain in the community. This is a mandate to guard against "fly by night" plants. If a reasonable proportion of these investments in community assistance to citizens show a ten-year or twenty-year improvement in living standards, educational opportunity, and general well-being, the industrial program may be regarded as a pioneer move in seeking substantial recovery from the conditions suffered by an almost purely agricultural society.

D. W. KNEPPER

Mississippi State College for Women

EDITOR'S NOTE.—There is, of course, some difference of opinion as to whether the program outlined above is a wise one for local governments to undertake.

Closing Missouri Almshouses.—In 1932 the voters were frequently told that the adoption of a constitutional amendment authorizing old-age assistance was the first step toward closing Missouri's one hundred county almshouses. The amendment was adopted, but the legislation to make it effective was not passed until 1935, following the estab-

lishment of the federal social security program.

At last, with over 50 per cent of those over seventy years of age on old-age assistance rolls, one county almshouse has been closed. Seven of Worth County's inmates having received assistance, the eighth was placed on direct relief and the almshouse closed, saving the county about \$2,000 per year. Incidentally, Worth is the smallest county in area in the state and among the smaller in population.

Perhaps a majority of the almshouses should be closed for lack of sufficient inmates to maintain an institution on an economical and efficient basis. As a rule, about half of the occupants are entitled to old-age assistance; the others should be placed on direct relief by the county or in district infirmaries. The latter solution was authorized by a law of 1923, but it remains unused. A few counties, however, do send their poor to houses in adjoining counties, contracting for their care.

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Minnesota Will Take Title to Tax Delinquent Lands.—The Minnesota Taxpayers Association reports that the Legislative Interim Forestry Committee has before it a recommendation by the state forester to the effect that the lands of Minnesota be quickly classified and that legislation be enacted to facilitate state title to tax delinquent lands suitable for reforestation. The state forester told the committee that these steps were necessary to stave off the bankruptcy of several counties which have higher bonded indebtedness than they have assessed valuation. He emphasized the necessity of acting immediately to renew the forest resources before the counties go broke.

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Prospects Better for Improved County Government in Kentucky.—Financial problems of county governments in Kentucky are the principal subjects under consideration in the special session of the Kentucky general assembly which was called March 7th.

There has been introduced into both houses, with the approval of all groups, a bill which (1) provides for the refinancing of county debt; (2) requires each county to prepare and administer, under central supervision, an

annual budget; and (3) makes mandatory uniform county accounting.

Moreover, it is not an exaggeration to say that definite, though by no means satisfactory, advances have been made during the last four years. In 1934 the general assembly passed certain initial legislation, and since then the counties have made material progress, especially in financial matters.

JAMES W. MARTIN

Kentucky Commissioner of Revenue

TAXATION AND FINANCE

Edited by Wade S. Smith

Absorbing Disaster Costs.—From February 27th to March 2nd more rain fell in southern California than had fallen in any similar period in the region's recent history, and by March 3rd Los Angeles newspapers as well as the nation's press were scare-headlining a flood-ravaged Los Angeles area. Los Angeles and its satellite cities were isolated for two days, upwards of a hundred lives were lost, and property damage in a number of scattered communities was high. Here was a disaster of major proportions, from which the all-persuading question arises, how are the costs of repairs and replacements to be met?

At the outset, it must be understood that the damage in this disaster, as in most, was exceedingly spotty. Situated on a plain with close-lying mountains to the north and east, the city of Los Angeles contains within its sprawling corporate limits slightly over 452 square miles of territory. A large section of Los Angeles proper includes part of the Santa Monica mountains and canyons, while a large number of the suburban developments were in canyons or washes—dry stream-beds liable to become raging torrents when precipitation is unusually heavy. And much of the other intensive development is on the flood plains of the Los Angeles and Santa Ana Rivers. Damage may therefore be roughly classified as being confined to three geographical situations—first, damage in the hills and canyons where the rapid and heavy run-off made the effects particularly spectacular; second, damage on the flood plains where ordinarily dry rivers overflowed their channels and spread out over the surrounding lowlands; and third, damage in other low sections where drains proved inadequate to carry off the rapid fall of water.

Affected areas were relatively small, and often miles from each other.

Because of its large area, the major share of the damage was of course sustained within the Los Angeles city limits. Wholly reliable estimates of private losses are not yet available, but damage to city structures and properties was estimated at around \$3,000,000 with the likelihood that the final determination will be close to this sum. Undermined pavements and sidewalks, damaged or destroyed bridges (mostly the older structures), breaks in the municipally-owned power distribution system, and damage to sewers and water mains at river crossings were the principal losses. State and federal grants of one kind or another will cover a large share of the replacement costs, under present plans, and the out-of-pocket demands on Los Angeles taxpayers to finance the reconstruction is problematical, probably will not exceed amounts which can easily be absorbed in next year's tax levy supplemented by a small amount of borrowing.

In the other cities, damage might well be termed nominal as far as municipal replacement costs are concerned. Glendale was perhaps the hardest hit, with damage principally to its public utility enterprises which may run to \$200,000, an amount which can be easily absorbed from cash surpluses and reserves for contingencies. Burbank, Beverly Hills, Pasadena, and other similar cities sustained very small damages, with repair costs within departmental contingency reserves.

In Orange County, where the Santa Ana River flows for most of its course through the Los Angeles area, damage was more appreciable. Anaheim, with three feet of water running in its business street, a new park gutted like a south-sea island after a hurricane, and pavements and mains torn out of place in some sections, was hard hit. There is little doubt that the city will find it impossible to meet locally any large share of rehabilitation costs, but negotiations have already been started to secure federal aid, and the direct city cost, while it will probably be burdensome, will not precipitate anything approaching a local financial crisis. In Riverside, where the Santa Ana River also left its channel to return to an old stream bed, the same situation obtains. Santa Ana, the county seat, was virtually unaffected, but damage throughout the county is conservatively estimated at perhaps \$6,000,000.

At this writing, over two weeks since the flood hit, it seems unlikely that any of the affected communities will have to resort to capital borrowing to meet repair and replacement costs. Large amounts of state and federal aid will be required in a few cities to accomplish this, but by and large current funds will suffice. Why?

The answer to the whole situation, as far as municipal outlay goes, is to be found in a combination of two financial requirements found generally in California law. One is the almost universal city charter provision that no expenditures may be made unless the cash is actually in hand. The other is the state-established provision that taxes are due in December and April—or approximately six and ten months respectively from the beginning of the July 1st fiscal year which is almost universally used by California cities. The combination of these two provisions has led California cities to build up sizeable cash funds, both as current account balances and as cash-basis funds from which operations can be financed until taxes become collectible. Especially in the smaller cities, it is not at all unusual to find current fund cash surpluses equal or in excess of a full year's fund tax requirements. Since cash in revolving or self-banking funds is also available in most instances, the current cash is readily available to meet costs when disaster (or any other unusual expenditure need) arises.

Of course, only a portion of the total damage was sustained by the municipal corporations. The carriers were the largest sufferers, every transportation line into Los Angeles having sustained damage sufficient to interrupt service for a day or longer. A considerable amount of personal property in residences was damaged, and automobile repair shops have been doing a rushing business cleaning and rebuilding cars and trucks caught in high water. Damage to private structures was not proportionate to the number of homes inundated, however, since except in isolated instances the better constructed buildings were not extensively damaged. An interesting feature of the flood is that it coincided almost to the day with the final date for fixing property valuations for taxes, which under California law must be as of March 1st. In Los Angeles County the assessment rolls will be revised as taxpayers

bring in their claims, and in Orange County the county assessor is sending his staff out again to reappraise all properties in the damaged areas. The reductions in valuations will be impressive in dollar amount, according to present indications, but probably will not affect any great reduction on a percentage basis, except in Anaheim and Riverside.

An important feature of the disaster, and one which prevented real catastrophe, is the recent flood control works in the area. Following the bad New Year's Day flood of 1934, Los Angeles flood control works were extensively overhauled, and the dams and run-off channels of the county flood control and drainage districts, in which the taxpayers have a present outstanding debt of around \$36,000,000, were instrumental in confining damage in Los Angeles County to a relatively few areas. Orange County, which had authorized \$2,500,000 bonds for its share of a county flood district calling for a total outlay of around \$14,000,000, had not yet begun construction, and was without real protection. Where flood control works were completed, they worked well, and the fact that property damage and loss of life were not higher is a tribute to the effectiveness of the work. The flood demonstrated some weaknesses, particularly in older works, and it seems unlikely that a similarly heavy rainfall, coming after revised plans have been carried to completion, will produce more than nominal damage.

EDITOR'S NOTE.—Mr. Smith was in southern California when the big rains began, and arrived in Los Angeles Monday night just before the flood waters cut off all outside transportation. He circled the flood area by automobile after the main roads were again passable, contacting officials in all the more seriously affected cities.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

New York Cities Start Drives for P. R.—

Under the influence of New York City's successful use of proportional representation last fall, no less than four other cities in the

Empire State have started definite movements for the adoption of P. R. for their own city councils.

In Rochester civic leaders^{are} giving serious consideration to P. R. because of disappointment over the domination of their city manager government by partisan councils for a number of years past. The League of Women Voters recently held a well attended public meeting at which prominent citizens of Rochester were elected to a mythical city council in a demonstration P. R. election.

In Schenectady, which has the city manager plan under similar handicaps, a representative committee headed by Richard K. Hamlin has been formed to organize a campaign for P. R. for the city council. A public meeting to launch the drive was held in the education building the evening of March 16th. Emslie E. Murray, retiring president of the Schenectady Taxpayers' Association, had strongly urged P. R. for both city and county at the annual meeting of that organization a month before. The Schenectady League of Women Voters has voted to join the city campaign and the Charter League and the Bureau of Municipal Research have been studying P. R. and helping to explain it to the public.

In New Rochelle, which also has the city manager plan but has suffered from unrepresentative councils, a P. R. amendment is being prepared and educational work started.

In Yonkers the City Manager League is circulating petitions to put the P. R.—city manager charter amendment referred to in our February issue on the ballot. The mayor's charter commission devoted one of its public hearings largely to P. R. and is known to be considering the subject seriously. In February former Mayor William J. Wallin included P. R. with a fixed quota of 10,000 in a sixteen-point program of charter revision which he presented to the commission.

It is possible that all four of these cities will be voting on the adoption of P. R. at the general election next fall.

There is even some interest in the state's second city. "Whenever the time comes for Buffalo to consider a new charter," said the December 23rd bulletin of the Buffalo Municipal Research Bureau, "perhaps something along this line would help. . . : (1) a common

council elected on a city-wide ticket by the proportional representation method to insure minority representation, the party primaries for these offices abolished, nominations being by petition; (2) an elective 'official' mayor, and an appointive city manager."

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Extensions Urged in Massachusetts.—

Last year the Massachusetts General Court passed and the governor signed a new law by Representative Christian A. Herter of Boston which made P. R. for councils and school committees and preferential voting for mayors available by petition and popular vote for all cities and towns in the state, but the application of the bill to the Boston city council had to be excluded and the governor vetoed a bill by Representative Rufus H. Bond of Medford making the combination of P. R. and the city manager plan similarly available for all cities except Boston.

This year, in addition to an expected attempt to remove the exception as to the Boston city council, a very promising effort is being made to legalize the P.R.—city manager combination. Representative Bond reintroduced his bill (House Bill No. 791), which adds a new "plan E" to the optional forms of city government, at the beginning of the session. On February 25th, however, the state's special commission on taxation and public expenditures, consisting of three members appointed by the governor, three by the speaker of the House, and one by the president of the Senate, submitted a report to both houses unanimously recommending the adoption of Mr. Bond's bill with minor modifications and introduced a bill of its own (House Bill No. 1710) for that purpose. The principal changes are the substitution of the P. R. rules of the Herter law for most of the complete and slightly different set of rules in the Bond bill, and a provision that plan E shall not be submitted at the same election as a proposal for P. R. without the manager plan or for a preferential vote for mayor.

The proponents of the Bond bill, led by Chandler W. Johnson of Cambridge, have accepted this substitute and are working hard for its adoption. With the special commission's backing there seems a good prospect that it will become law.

Among the cities most interested in plan E

are Cambridge and Springfield, which has an official charter commission now at work. The Springfield Taxpayers' Association has publicly urged the commission to recommend a unicameral city county elected by P. R. to replace the present bicameral body. The combined Sunday edition of the *Springfield Union* and the *Springfield Republican* for February 27th contained a full-page illustrated article by William Henry Wright at the beginning of its special feature section entitled "Proportional Representation, the Key to Good Government."

*

Montreal Considering P. R.—The *Municipal Review of Canada* for February 1938 contains the following note referring to the charter commission of Montreal, appointed by the mayor and city council, which contains representatives of various civic bodies and which is known to be considering the possibility of P. R. for that city:

Alderman W. H. Biggar, K. C., the honorary secretary of the Federation of Mayors and Municipalities, in a letter to the mayor of Montreal's committee now studying a new city charter, made certain recommendations including two that should be of interest to all students of municipal government. The first refers to proportional representation. "I recommend proportional representation," wrote Mr. Biggar, "believing that it can be applied to this territory. A definite study of this topic should be made by those knowing the benefits of its operation. New York's example is at hand."

What Alderman Biggar suggests for Montreal is equally applicable to all urban municipalities in Canada, as was shown in the article by John H. Humphreys which appeared in last month's issue of the *Review*. Proportional representation is undoubtedly gaining ground everywhere it has been tried; this is indicated in the reports received from all parts of the world—particularly democratic countries—by the Proportional Representation Society of Great Britain, central organization of the movement. We suggest that, although not yet accepted by municipal Canada, this new science of voting is worthy of serious study.

In addition to the official charter committee the Montreal Board of Trade has been making a study of P. R., with special reference to the recent experience in New York City.

P. R. for Local Elections Debated in British Parliament.—On February 25th the British House of Commons considered on second reading a "private member's bill," introduced by Sir William Wayland, Conservative, to provide the Hare system of P.R. for the councils of metropolitan and county boroughs and the London county council. Sir William spoke for the bill with a background of experience as former mayor of Deptford and was supported by Cecil H. Wilson, former leader of the Labour party in the city council of Sheffield, and Sir Percy Harris, Liberal, a deputy chairman of the London county council.

Prominent members from Birmingham, Bradford, and London, and A. P. Herbert and Sir Arthur Salter, independents elected by P. R. from Oxford University, were prepared to speak also, but at lunch time an opposition member raised the point that there were not enough members in the chamber to make the debate legal and the measure was thereupon "counted out." Since bills not sponsored by the government can be considered only on private members' days and then only if their sponsors are lucky in the draw for the limited time available, this manoeuvre killed the bill for the time being.

Sir William believes he would have carried the measure if it had been put to a vote and has announced that he will continue to enter the contest for private members' time in the hope that he can bring it forward again.

Before the debate the case for the bill was circulated in printed form by ten of its parliamentary supporters, including Lord Wolmer, Conservative. The argument cited such examples of electoral injustice as the election of eleven members out of sixteen to the Sheffield city council by a Labour minority in 1937, while the Progressive party with more votes elected only five; the election of twenty-five members by the Conservative party to Labour's six in the 1937 council election in Liverpool, though the Conservatives polled only half again as many votes as Labour; and the complete monopoly of seats in each of seven London boroughs by either the Municipal Reform party or the Labour party in spite of considerable numbers of votes cast for their opponents.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

Bureau of Municipal Research of the University of Texas.—The Bureau of Municipal Research in 1937 completed a survey of public libraries maintained or assisted by incorporated cities in Texas and published a report of the survey under the title, "Municipal Libraries in Texas." The report was under the authorship of Dr. Harry L. Case, who was then a member of the bureau staff.

Dr. Stuart A. MacCorkle made a study of state financial control over cities in Texas and this material was published in monograph form by the Arnold Foundation of Southern Methodist University in Dallas, Texas. Articles by bureau staff members have appeared in various periodicals and have dealt with such problems as tax collections and parking meters.

In August 1937, Dr. Roscoe C. Martin resigned the directorship of the bureau to join the political science staff of the University of Alabama. He was succeeded as director by Dr. Stuart A. MacCorkle, for several years a member of the staff of the department of government of the University of Texas.

Throughout the year the bureau continued its policy of coöperating with local agencies as well as its contact with national organizations. Staff members attended the state conventions of the League of Texas Municipalities and the Municipal Finance Officers' Association. At a joint meeting of these groups R. Weldon Cooper, assistant director, presented a paper dealing with delinquent tax collection methods. The bureau was represented at the regional planning meeting sponsored by the Texas Planning Board, the annual convention of the International City Managers' Association held in New Orleans last fall, and the annual convention of the American Political Science Association held in Philadelphia during December.

The Bureau of Municipal Research has followed its policy of coöperating with state and local agencies. In July it supervised the grading of some eight hundred patrolmen's examination papers for the State Department of Public Safety. Coöperation between the

bureau and the League of Texas Municipalities has continued.

At the present time the bureau has three research projects under way: (1) municipal police administration in Texas; (2) powers of municipal corporations in Texas; and (3) powers and duties of municipal officials in Texas. All of these, it is hoped, will appear in printed form during the year 1938.

STUART A. MACCORKLE, *Director*

*

Taxpayers' Association of New Mexico.—
The Taxpayers' Association of New Mexico

has inaugurated a survey of the cities, towns, and villages in New Mexico which own and operate utilities. This survey is intended to be helpful to those municipalities which have issued revenue bonds to be paid out of the earnings of water, gas, and sewer utilities. A representative of the taxpayers' association, with engineering and accounting qualifications, will visit the municipalities that have such utilities and advise with them as to the factors involved in their operations.

RUPERT F. ASPLUND, *Director*

FIXING THE JUDGE

(Continued from Page 199)

"What do you plead?" inquired the "tough judge." "Not guilty, your honor," I replied. He gave me a patient hearing, asked me a few questions, and then cross-questioned the police officer. Then he addressed me in a friendly conversational tone, "A plea of 'not guilty' in a case of this kind is unusual; while I have every confidence in your statements and can see that you are a man of substance, I have known this officer for some years and feel sure that he did not arrest you without reason. Do you still plead 'not guilty' to a speed of fifty-five miles per hour?" "Yes, your honor." He turned over a paper and continued, "Well, I wish to be fair to all parties; the road in question is a down grade, and it is possible that you were traveling faster than you realized. Will you plead 'guilty' to a charge of forty-nine miles per hour?" I did not wish

to tempt the gods. "Yes, your honor, it is possible that I was traveling at about that speed for an instant while passing another car." "Very well, I shall accept a plea of 'guilty' to a charge of forty-nine miles per hour in a forty-mile zone and fine you the minimum allowed—four dollars and costs. Are you satisfied that this is just?" "Yes, your honor." "Good. Pay the clerk of the court. Next case, please."

The costs were a dollar-fifty. I had received at the hands of a strange judge that which is every free man's right—an open hearing and a fair trial. And so I take off my hat to a "tough judge." May there be many like him, which, despite the well-meaning friends who can fix it, there probably are.

EDITOR'S NOTE.—For additional information regarding Teaneck, New Jersey, where the incident related above took place, see "The Manager Plan in Suburbia," page 200, of this issue.

METHODS OF ELECTION AND THE MAKING OF HISTORY

(Continued from Page 213)

Proportional representation is not only a method of election, it embodies a political philosophy. This philosophy can be expressed in the old democratic formula—liberty, justice, fraternity. Liberty, for proportional representation welcomes the expression of all the live forces in a community; justice, in that it gives to every party its due; fraternity, in that it stresses the neighborliness of parties, which, in terms of government, means the maximum measure of co-operation between parties.

One likes to read into this philosophy the idea of federation. The representation of all parties is of the essence of federation, involving and tending to co-operation in the government of city or state. The same philosophy holds good in wider fields. The alternative to war in Europe is federation—federation of the countries living along the Danube, the federation of other areas; federation, it may be, on a larger scale; and if we have vision enough, the coöperation of all countries in dealing with world problems. Proportional representation is no mean philosophy; that justice in human relationships, and this is what it stands for, produces the atmosphere most conducive to peace.

EDITOR'S NOTE.—An address delivered before the annual conference on government of the National Municipal League, November 20, 1937, Rochester, New York.

THE MANAGER PLAN IN SUBURBIA

(Continued from Page 202)

spectful employees' eyes much as a bee gathers honey. The deference which is shown him and his ability appears to be spontaneous, and not the bread-and-butter forced deference usually paid any employer.

Perhaps the chief accomplishment of Manager Volcker in Teaneck has been the bond refunding plan devised by him to level down the schedule of bond maturities. The preceding regime had by unplanned borrowing created a situation in which almost all maturities occurred at the same time, a year which happened, also, to be the trough of the depression. A sound plan of refunding has flattened the peak into a measured and slowly decreasing level over a long period of years, a level which is, contrary to the previous situation, well within the reach of the municipal exchequer.

It would appear that the manager plan may look forward to continued success in Teaneck. The reason is clear. The suburbanite has enough of this world's goods to be conscious of participation in his community, and little enough to be seriously concerned with participation. In other words, his government hits him directly not only in his pocketbook but in his home. There is no better formula for a wide-awake citizenry, and a wide-awake citizenry must be the concomitant of all successful government, city manager or otherwise.

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

The Administration of Federal Grants to States. V. O. Key, Jr. Chicago, Public Administration Service (for the Committee on Public Administration of the Social Science Research Council), 1937. xviii, 383 pp. \$3.75.

In 1930 federal payments to the state under the several subsidy laws totaled one hundred and thirty-five million dollars. In 1936 they amounted to seven hundred and seventy-one millions, having exceeded the two-billion-dollar mark the previous year. This huge increase could be partially explained, to be sure, in terms of emergency payments for relief. But a number of the newer grants are not the product of depression—or, at any rate, are not likely to be discontinued with the disappearance of emergency conditions. Many of the increased appropriations for the support of long established functions will probably continue permanently at their higher level. And several recent changes in the subsidy system, especially with regard to methods of apportionment and federal-state distribution of costs, have introduced entirely new problems.

A volume dealing with the 1937 model of the federal subsidy system is, therefore, clearly in order. And here it is—a concise description and analysis of the system in actual operation. Dr. Key and two associates visited more than half of the states, and discussed the whole range of administrative problems with a large number of state officials and field representatives. Most of the detailed information obtained in this way is omitted, however; there is just enough detail to illustrate the major facts as they are presented.

The system of grants-in-aid is described in terms of administrative problems rather than

functions. This plan of organization can be made clear by listing some of the chapter headings: State Plans and Budgets, Federal Inspection and Field Service, The Audit, Records and Reports, Withdrawal of Federal Coöperation, The Role of Associations and Conferences. Every chapter, therefore, contains references to the work of most of the administering agencies.

There is, to be sure, a chapter entitled Conclusions, but few conclusions are reached—at least with regard to questions of policy. Dr. Key states quite frankly that: "This study has been concerned almost solely with the techniques for the effectuation of national policies. There has been no effort to evaluate any particular function or policy." And yet some of the author's beliefs do become apparent from time to time. He declares that the threat of withdrawing federal funds is like the shotgun behind the door—most effective when not used; that a policy of granting large sums to the states without providing for supervision would produce generally undesirable results; and that the grant-in-aid is most useful when made for functions of a "service" character rather than for regulatory activities. These are comments that most informed persons would heartily endorse.

But many basic problems are left untouched—or at least unsolved. How extensively should federal grants be used? For what purposes? What percentage of the cost of each service should be borne by the federal government? By the states? What should be the basis of apportionment? And, most important of all, is it possible to develop standards by which these matters may be scientifically determined?

To say that these questions are left unanswered is in no way to reflect on Dr. Key, who has given us a careful, penetrating and well written description of the subsidy system in practice. But the fact remains that these matters reach to the very heart of the system. Some day they must be answered, if federal grants are to become something more than a combination of chance and practical politics. Perhaps Dr. Key will accept this task as his next assignment.

AUSTIN F. MACDONALD

University of California

*

British Experiments in Public Ownership and Control. By Terence O'Brien. New York, W. W. Norton & Company, Inc., 1938. 304 pp. \$3.00.

This book presents the background, organization, and experience of British dealing with three important industries of national importance: the Central Electricity Board, the British Broadcasting Corporation, and the London Passenger Transport Board.

Each of these concerns is a public corporation created through special acts of Parliament and administered under the supervision of governmental departments. Each is a special enterprise, and its organization and function have been based upon the history and circumstances of the undertaking. None has an analogous counterpart in the United States.

The Central Electricity Board was created in 1926 after successive parliamentary investigations and reports regarding the electric industry in Great Britain. It consists of a chairman and seven other members, appointed by the minister of transport. It has corporate powers as to issuance of bonds, acquisition of property, and conducting operation, and is charged with the general responsibility of coordinating the electric supplies of Great Britain. It is concerned primarily with the transmission of power. While it may establish generating plants, it takes over the electricity generated by numerous private and municipal stations. It has constructed a general transmission system, and transmits the power to the distribution areas. The distribution in turn is mostly effected by private companies and municipal systems. To considerable extent the electricity is resold for distribution by the concerns from which it was purchased.

The board is thus primarily a coordinating device for the pooling of generation and providing transmission for final distribution. At the same time it exercises control over generation, and has brought about material reduction in generating costs and has made low cost electricity available to different sections of Great Britain. It is far from such a system of public ownership and operation as generally understood in the United States.

The British Broadcasting Corporation is, however, a full-fledged organization of public ownership and operation. In its present form it was established by act of Parliament in 1926, under a royal charter of incorporation and under license by the postmaster-general. It has full monopoly of broadcasting in Great Britain. It owns all the broadcasting stations, determines the programs, and maintains a full operating organization. It is financed principally through license fees paid by the owners of receiving sets, at ten shillings a year. While it has some miscellaneous revenues, it has practically kept away from commercial programs whose sponsorship in the United States has furnished the financial support of broadcasting. The British system has thus avoided the enormous nuisance of commercial exploitation, also the needless duplication of stations, and apparently has maintained a high level of entertainment, education, and discussion of public affairs.

The London Passenger Transport Board was created by act of Parliament in 1933. It followed a full century of development in metropolitan transportation which had consisted of different types of transportation and numerous operating units. The board has taken over all the modes of transportation within the "transport area" of about two thousand square miles, except the principal railroad lines which furnish transportation service analogous to American commuter operation. It has complete monopoly, including subways, the tramways or street railways, and bus systems. It took over the properties from the private concerns on the basis of payments to be fixed by a special committee, and subject to an arbitration tribunal.

The transport board is an organization of outright public ownership and operation of a basic public utility service. It represents a scope of transit unification and public owner-

ship that goes far beyond the development in American cities. As to character of organization, it appears well suited for its purposes. Its financial success will depend materially on the fixed charges imposed on the unified system through the acquisition of the former privately owned properties. No data for judgment on this matter are furnished by the author.

The three types of public bodies illustrate the flexibility of the British system for adjustment to different circumstances. The form of organization and the experience should be extremely useful to students of economic organization in the United States as well as in Great Britain. They furnish especially a test of the corporate or authority form to carry out public developments and purposes.

JOHN BAUER

American Public Utilities Bureau

*

The Montana Citizen. By Roland R. Renne and J. Wesley Hoffmann. Helena, Montana, State Publishing Company, 1937. xii, 384 pp. \$1.50.

This is an unusually interesting and provocative textbook, intended, according to its preface, to answer the desire of many public school people for a "concise and teachable civics which would present a picture of government as it exists for the citizen living in Montana."

To a very considerable degree it will be gratifying to those who have long felt that the teaching of civics in our public schools is grievously hamstrung by real or implied taboos of the political powers that be.

Method of approach and treatment is indicated by the title of the introduction, "How We Live Together Through Our Institutions" and by the subtitles, such as "How Institutions Maintain Group Control," "The Family and the Home," etc. In the five units of the book the whole gamut of government is run, centering the student's attention very specifically on problems of his own state and community.

There are many questions and problems. Example (in the section on federal revenues):

"1. Do you believe our federal government was justified in borrowing some three to four billion dollars to pay its bills in a year like 1935 or 1936? Should it have levied additional taxes and paid its bills without bor-

rowing, or should it have reduced its expenditures down to the level of its receipts? Or should it have borrowed as it did? Give reasons for your answers and compare them with those of your classmates.

"2. Write a letter to a friend explaining in a few words why a protective tariff is a very poor revenue producer, and why a tariff that is a good revenue producer gives very little protection to home producers."

Virtually all of the questions and problems are on the daring, provocative side, and many of them encourage the student to look critically at his own state and local governments with the know why urge, as, for example: "Give all the reasons you can think of to explain why most Montana cities are governed by the mayor-council rather than by the manager plan."

The book is amply provided with maps and understandable charts.

A. W.

*

Parkways and Land Values. By John Nolen and Henry V. Hubbard. Cambridge, Harvard University Press (Volume XI, Harvard City Planning Series), 1937. xiv, 135 pp. \$1.50.

This book defines a parkway—as differentiated from a boulevard, an avenue, or a highway beautified with trees—as "an attenuated park with a road running through it." The authors have selected the parkway systems of metropolitan Boston, Kansas City (Missouri), and Westchester County (New York) for a detailed study of the best examples of parkways. In each instance the following points are covered: general background, topography, and occupancy of the territory under discussion; organization of local government administering the parkways; parkway design; traffic regulation; non-traffic recreational uses; costs with methods of acquisition, financing, and assessment; and the economic effect of parkways on property.

The problem discussed resolves itself into two questions: (1) What is a parkway, what does it cost, what benefits does it produce, who reaps these benefits, and in what proportion? (2) How can these benefits, through equitable assessments, be made a source of income to the community at large to offset the costs?

The volume is well illustrated with excel-

lent photographs, maps, and charts. An appendix contains a list of references.

*

Milk Control. Government Regulation of the Dairy Industry in the United States. By American Municipal Association. Chicago, Public Administration Service (Publication No. 57), 1937. 52 pp. Seventy-five cents.

The principal steps which have been taken by federal, state, and local authorities to regulate the milk industry for consumer protection are reviewed in this report, which also discusses the developments necessary further to purify this important commodity.

At the present time four out of every five communities with populations ranging from a thousand to ten thousand have no regulation for the production or distribution of milk. Less than 40 per cent of the milk consumed in such municipalities is pasteurized. The uniform application of milk regulations is necessary if such regulations are to have any real value.

A model milk control ordinance, prepared and published in 1923 by the United States Public Health Service, is set forth as an appendix to the report. Some seven hundred communities, representing a population of approximately eighteen millions, now have this ordinance, which costs about 8.3 cents per person per annum to administer. Ways of financing administration of such a model ordinance are discussed in the report, as well as the specific regulations that can be incorporated into any municipal ordinance. Small communities, it is suggested, can collaborate on their efforts.

*

Sowing the Wind. A Public Finance Primer. By David Hinshaw. New York, Mail & Express Publishing Company, 1937. 59 pp. Ten cents.

This treatise presents a dark picture of the financial chaos into which the country is heading because of the rapid increase in the debt load for all levels of government. Tables and charts set forth the growth of public debt from 1789 until the present time. The present tax system is also discussed. The last chapters present suggestions for remedying the situation. The choice, says the author, lies between "less waste or less government." He points out that the spoils system alone costs the taxpayer two billion dollars annually, one

billion of which goes to pay the salaries of useless jobholders.

"The program," says Mr. Hinshaw, "must be reduced to essentials—help the needy help themselves, curb injustice, outlaw graft, destroy the spoils system, limit the business activities of government, cut costs, balance budgets, reduce the public debt, make public officials who gain office on frugality platforms and later turn spendthrift, hard to catch and impossible to find, maintain freedom by making government efficient, preserve local rights in order that national union may be strong, give rulers no blank checks, instead, keep them poor, control public spending with every devisable safeguard."

*

Films as an Aid in Training Public Employees. By John E. Devine. New York, Committee on Public Administration of the Social Science Research Council, 1937. 114 pp. \$1.00.

A comprehensive statement of the present use of films in the training of public employees, separated as to the federal government, state governments, and schools and local governments, with chapters on potential uses of such films, their production, and the putting of training films into use. A series of "next steps" in the use of films, to be taken by those engaged in the public employee training field, is suggested in the last chapter. An appendix contains a catalogue of films related to the public service.

*

Construction and Use of Tax Maps. By National Association of Assessing Officers (Assessment Practice Series No. 1). Chicago, 1937. 53 pp. Fifty cents.

This pamphlet should prove extremely valuable to assessors who are at present operating without tax maps or who find their present maps inadequate. It gives consideration to existing base maps and methods of developing them into finished tax maps; it also contains sections devoted to the mechanics of original surveys both by the traditional method and by the newer method of aerial photography, and to the maintenance of tax maps.

The study concludes with a helpful, though admittedly inconclusive, discussion of the cost of maps.

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Coöperative Purchasing in the Irish Free State

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Little Rock, What Now?

George E. Pelletier

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The League's Business

League's New York Committee Adopts Program for Submission to Constitutional Convention.—The New York State Committee of the National Municipal League, meeting at Union College, Schenectady, on April 22nd and 23rd, adopted a program of fundamental improvement in the structure and operating methods of government for submission to the state's constitutional convention now in session. Leaders of civic organizations and members of political science faculties from many parts of the state were in attendance.

Among the more important proposals made are: a unicameral legislature; proportional representation for the election of the legislature with a uniform quota (thus solving automatically the troublesome question of reapportionment); amendment of the constitution by large petition and popular vote; provision for a department of justice under an appointive attorney general; replacement of the elective comptroller by a director of finance appointed by the governor and an auditor appointed by the legislature; a separate department of budget and efficiency; permission to the state to set up a budget reserve to prepare for times of depression in times of prosperity; no further expansion of the principle of veteran preference in the civil service with power to the legislature to diminish or abolish existing provisions for veteran's preference; appointment rather than election of judges so far as possible, with nonpartisan ballot for all elective judges; far-reaching city home rule provisions including the abolition of the power of the legislature to impose mandatory expenditures on cities except by general law applying alike to all cities; giving cities of over fifty thousand the right to secede from a county and establish a consolidated city-county government, and villages the right to secede from a town and set up a consolidated village-town government; home rule powers similar to those of cities for villages of over five thousand; the removal of present constitutional restrictions on the power of the legislature to reorganize county and municipal offices by general law, subject to the provisions of county and municipal home rule; granting of power to the legislature to reduce the number of counties on the basis of population, wealth, and geographic features.

* * *

Drafting Committee for Model State Personnel Law Appointed.—At the recent joint meeting of representatives of the Civil Service Assembly of the United States and Canada, the National Civil Service Reform League, and the National Municipal League's Personnel Committee, Dr. Leonard D. White, presiding officer, was instructed to appoint a drafting committee to draw up provisions for a model state personnel law. Dr. White has now designated G. Lyle Belsley, H. Eliot Kaplan, and Howard P. Jones, executive officials respectively of the organizations mentioned above, as members of that committee.

* * *

Chairman of League's Fiscal Committee Addresses Savings Bank Group.—Mr. Arnold Frye, chairman of the League's Committee on the Improvement of Municipal Fiscal Affairs, recently addressed the annual convention of the Association of Mutual Savings Banks, meeting in New York, on the invitation of the Association's Committee on Municipals and Government.

Mr. Frye's subject was "What Sound Municipal Fiscal Legislation Means to the Investor." He discussed certain weaknesses or errors in municipal fiscal policy which the depression had emphasized, but which even in times of ordinary prosperity cause instability in municipal finance with resulting burdens to both the taxpayer and the investor. He pointed out the need of a program of modern fiscal legislation which, without infringing upon the real principles of municipal home rule, would serve as standards for municipal officers and taxpayers, standards to which the investor likewise could look in determining whether to buy or continue to hold the bonds of particular municipalities. Mr. Frye concluded his address with the following statement:

On these general subjects of municipal debt, budgeting, and taxation, a committee is now being formed by the National Municipal League to draft and bring to public attention a program of simple "model laws," clearly setting forth the established principles of sound municipal finance. It is to be hoped that this project will be pressed to a successful conclusion and that these simple laws may serve as guides or standards to both investor and taxpayer, whose interests are identical in matters of sound finance.

Immediately following, the committee on resolutions presented and the association unanimously adopted, the following resolution:

RESOLVED, by the National Association of Mutual Savings Banks in convention assembled, that this body favors adoption by the several states of appropriate laws to secure reforms in the fiscal policies of municipalities and other political subdivisions, including uniformity in accounting and the reporting of finances.

Mr. Frye's address will appear in full in *The Bond Buyer* and later in the *Savings Bank Journal*. The personnel of the committee to which Mr. Frye made reference is as follows:

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May, 1938

"Ye Shall Know the Truth"

IRRESPECTIVE of the merit or lack of merit of the reorganization bill which was defeated by the House of Representatives in the midst of the biggest barrage of telegrams in history, there is one point we should like to make clear.

In arguing on March 12th against the bill which would provide for the reorganization of the executive branch of the national government, Mark Sullivan, whose column appears in fifty-four newspapers, commented that the authors of the bill knew more about local government than national, and he added:

"Now between city government and national government there is a conspicuous difference. . . . The modern 'city manager' idea contemplates almost the extinction of the functions of the city council."

This, of course, is absurd. Readers of the REVIEW will be interested in the following correspondence designed to check the error at its source.

LETTER TO MR. SULLIVAN

"Students of municipal government will be surprised at your statement in Saturday's *Herald Tribune*: 'The modern city manager idea contemplates almost the extinction of the functions of the city council.'"

"This statement is so completely at variance with fact and experience that we hope you will take the opportunity offered by some future occasion to correct the impression undoubtedly left with your many readers.

"As a matter of fact, exactly the reverse is true of the city manager form of government. The authority of the council, or legislative branch, is supreme—ininitely more so than under the council-mayor form. Under the manager form the council not only is the policy-determining body but has authority to dismiss the manager at any time. How, by way of contrast, would a council (even if it were inclined to) go about curbing a mayor like Hague?

"To quote from the pamphlet, *The Story of the City Manager Plan*:

The voters elect members of the council who in turn appoint and may remove the city manager, a trained administrator and not a politician. He in turn appoints and may remove all heads of departments, and, subject to civil service provisions, is responsible for the appointment and removal of all other officers and employees in the administrative service of the city. While the council may remove the manager at any time, it may not interfere with him in making appointments or removals; neither may the council give orders to any employee in the administrative service of the city, except through the city manager.

"This, surely, is a business-like arrangement for any corporation, whether it be municipal or private. You have only to look at the 3,069 counties throughout the country to see the result of a complete lack of an executive head.

"There is much authoritative literature concerning the council-manager plan, the form which permitted the city of Cincinnati, for example, to change

almost overnight from being the worst governed city in America to the best governed, and surely many of your readers would appreciate your giving them a more accurate picture of it."

MR. SULLIVAN'S REPLY

"You are right. I suppose that under the city manager plan a city council has

even more power in the policy-making field than it has with a mayor; and I suppose the reduction of the city council's power in the field of actual administration is not material, compared to its increase of power in policy-making.

"I will find an early opportunity to make a correction on this point."

"Comes the Revolution!"

WHEN three of the five trustees of the village of Mamaroneck, New York, a residential suburb of New York City, voted a month ago to fire Village Manager R. J. Whitney, there resulted what amounts to a revolution.

The people took the only immediate avenue of protest open to them. Petitions were circulated in the midst of the worst snowstorm of the season and in four days signatures equal to 60 per cent of those who voted in the spring election were signed to a demand for the "early reappointment" of Manager Whitney. Those who circulated the petitions said they could have had as many signatures as there were spring voters but they didn't bother to cover some sections of the community because they thought this would be a sufficient showing.

There was good reason for the "revolution." The people have been impressed by the fact that operating costs in the last six years have averaged \$341,556 annually as compared with an average of \$483,654 in the preceding six years; and they rather preferred 1937's tax rate of \$16.80 to the 1930 rate of \$19.93.

They refused to accept the excuse for the manager's dismissal—that he wanted to buy one kind of incinerator while three members of the board insisted on buying from another manu-

facturer. The manager, a graduate engineer, presumably knew something about incinerators, and his judgment was backed by the contractor member of the board and one other.

Regardless of the outcome of the fight, the old lesson that all communities who want continued good government must learn has been tossed into the public classroom again.

The price of good government is citizen understanding and citizen participation.

While most public officials want to do their jobs well, there are still plenty of them who need to be shown that a sword of Damocles hangs constantly over their heads to punish them if they act selfishly instead of for the good of their community.

It may be less upsetting and less of an interference with social activities and evenings at the radio to sit back and let a boss like Hague of Jersey City or Pendergast of Kansas City do everything to suit himself, but the people of Mamaroneck have enjoyed the thrill of staging a revolution and feeling their own power.

If they fight this out to the end they seek, they will always know their strength in the future—and those in office will know that they will be held to account for their actions.

Education for Public Careers

SOME months ago a distinguished municipal official in New Zealand made a tour of cities in the United States to study trends and to get ideas which might help in the solution of problems at home. He had heard from time to time of great progress being made by some cities in "the states."

By the time he reached the National Municipal League office after visits to scores of cities on the west coast and in the middle west, he was beginning to feel like the man who bought the Brooklyn bridge.

Almost indignantly, he exclaimed, "I must say we have little to learn from your cities. Why, do you realize I actually found women serving as city treasurers whose only qualifications were that they were the widows of men who had held the same position?"

As gently as possible, he was informed that his discovery brought nary a blush of shame to people who had seen United States senators and even a governor chosen for somewhat the same reason. Of course, it was shocking to a man who, as a youth who had decided on a certain type of public career, had painstakingly gone through the necessary formal education and then had served years of apprenticeship before arriving in a post comparable to that of one of our city managers.

With a few exceptions, he felt most at home in our manager cities, which, in his opinion, were on the right track.

Educational preparation for careers in public administration is an old story in a number of other countries. It is so new in this country that it still squeaks.

Of the sixty-one colleges which are offering special courses which might qualify as providing this type of training, half of the courses were instituted less than five years ago, three-quarters of them within the last ten years, and even when the city manager plan, with its career ideal, had become an accepted fact a quarter of a century ago, there were virtually none.

Aside from the in-service training and the apprentice idea, both of which happily are becoming more and more widely accepted, a number of important efforts have been in progress for some years. The figures show that Wichita, Kansas, with its "college cop" plan of having juniors and seniors in Wichita University serve as cadet police before becoming full-fledged policemen upon graduation, is reaping results in decreased crime and more successful law enforcement.

We have a long way to go but, with the continued extension of the merit system to make public service worth while for the best of our youth, and with our institutions of higher learning doing constantly more thorough jobs, another generation should see development of a genuine career service ideal in American cities.

**New
Planning
Department**

A new department "Planning — Including Zoning and Housing," is inaugurated in

this issue. Progress and events in this increasingly important field will be re-

viewed each month under the direction of Alfred Bettman, prominent attorney and chairman of the City Planning Commission of Cincinnati, and Walter Blucher, executive director of the American Society of Planning Officials.

Wisconsin Counties as Political Chessmen

Partisan elections of county officials, with its consequent local political machinery, proves an aid in the election of state officials by the dominant party group.

M. G. TOEPEL

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DURING the last regular session of the Wisconsin state legislature proposals for the nonpartisan election of county administrative officials arose in three different forms and at five distinct times. Beyond the ordinary interest in these proposals, the problem is of particular significance in Wisconsin because it brings into relief certain elements of the state constitution. That basic document of 1848 provides that "sheriffs, coroners, registers of deeds, district attorneys, and all other county officers except judicial officers shall be chosen by the electors of the respective counties once in every two years." This provision in itself would not preclude the possibility of nonpartisan elections, but another constitutional provision requires that the "legislature shall establish but one system of town and county government which shall be as uniform as practicable." Judicial interpretation has indicated that the method of election is part of the county system of government and must therefore be uniform throughout the state. The partisan method having been the original choice, it is the process which applies in all the counties today.

The attitude of the court makes it imperative that any movement to permit counties to provide nonpartisan elections must take one of several statewide forms. It may be a state law making nonpartisan elections the general method, a constitutional amend-

ment providing the same, or a constitutional amendment revising the uniformity clause. It is barely possible that another method is still available, that of presenting a case before the court in such a manner that the questionable decision, which maintains that all counties are so nearly alike that identical forms of government are equally practicable, may be reversed. Recent studies of county government in Wisconsin indicate great heterogeneity not only in governmental needs but in governmental practices. A readjustment of judicial, legislative, and lay thinking in the light of 1938 is extremely vital to a real understanding of county government.

The significance of the recent movement for nonpartisan elections of county officials in Wisconsin seems to lie in the fact that of the five attempts to revise the status quo, one by statutory revision, three by referendum, and one by constitutional amendment, none was enacted. The suggestions were bitterly contested, and though it appeared for a time that one of the referendum measures would be enacted, eventually all were defeated.

Like most problems involving political machinery, the matter appears to have been judged on the basis of political expediency rather than the consequences of a change in the method of election of county officers on county administration. But even assuming that the real basis did lie in the political

effects of the change, no one sought to compile the data regarding past elections in order that a truly scientific approach to the problem might be made. It is the purpose of this paper to present briefly the results of a study of how the elections of county clerk, county treasurer, district attorney, register of deeds, and sheriff have come out in the seventy-one counties of Wisconsin during the twenty-year period between 1916 and 1936.

What party wins the county elections? For the twenty-year period the evidence is as follows:

Party	Clerk	Treasurer	District Attorney	Sheriff	Register of Deeds	Total
Republican	84.5%	84.2%	80.5%	79.7%	82.6%	82.3%
Democratic	10.4%	10.5%	12.5%	13.9%	12.6%	12.0%
Socialist	.4%	.7%	.4%	.7%	.5%	.4%
Progressive	4.7%	4.6%	6.6%	5.7%	4.3%	5.3%

Not only is the Republican domination obvious, but the relative consistency of that domination must be clear.

These statistics are intended to show the sum total of the distribution of party control of county offices in Wisconsin over a twenty-year period. They do not show the relative strength of the several parties today. Until 1934 there were two major parties in Wisconsin. In that year the Republican Party officially split into its Progressive and Stalwart elements, the former becoming the Progressive party. Since that time the domination of the Republican party has been greatly reduced. The following table shows the distribution of the five county offices in each of the seventy-one counties, among the several parties by years.

Year	Republican	Democratic	Socialist	Pro- gressive
1918	308	33	14	0
1920	338	17	0	0
1922	335	20	0	0
1924	342	13	0	0
1926	333	22	0	0
1928	336	19	0	0
1930	329	25	1	0
1932	261	94	0	0
1934	171	92	0	92
1936	163	95	0	97

Not only do these figures accentuate the domination of one party, but they also indicate the relative uniformity of that domination until 1934. It would be hazardous to project this distribution into the future because of the unsettled condition of Wisconsin's politics. Certainly the relative strength of Progressive and Republican power has not yet been permanently established. A reduction in the currently large number of Democrats in county office may be anticipated. It would seem probable, however, that the domination of the

Republican party in county offices is not seriously threatened.

LITTLE COMPETITION FOR COUNTY OFFICES

If it follows from the data above that the Republican party unquestionably dominates county elections, how does that domination affect the number of candidates for office? The evidence is as follows:

Uncontested elections	38%
Two candidates	35%
Three candidates	20%
Four candidates	4%
More than four candidates	3%

In virtually two out of five instances there has been no contest for county offices. Perhaps in some isolated instances this may be due to the fact that no one cares for county positions, improbable as that may seem, but it is more likely that the real reason is the futility of running against Republican candidates. This, however, does not mean that there was no contest in the primary election, but the available data is of such a nature that the number of

candidates for each party in the primary could not be readily compiled.

A further element in the picture may be the agreement between the county, state, and national elections. High agreement in party following would suggest that perhaps national and state policies determine county elections rather than county issues. To illustrate: what was the effect of the Rooseveltian landslide of 1932? In 1930 twenty-four Democrats were elected to the five county offices considered in this survey. In the 1932 election ninety-three were elected. It would indeed be a coincidence if almost four times as many officials of a different party were elected primarily because of a realignment of county party policies.

COUNTIES AND STATE AGREE POLITICALLY

A study was also made of just how each county voted during this period of twenty years for members of both houses of the state legislature, the governor, and president. In thirteen counties there was perfect agreement between the party which dominated the county elections and the party which won the assembly seats. Thirty counties agreed perfectly in their vote for county offices and seats in the state senate. While there was not a great deal of unanimity, particularly in the state-wide and national offices, the total percentage of agreement between the dominant county party and the party winning the various other offices enumerated was almost 75 per cent. In other words, in three out of four cases, the party which wins the county elections also wins the legislative seats, the gubernatorial and presidential contests.

It is this last point which undoubtedly forms the real basis for much of the objection to revision of the status quo. Particularly in those places represented by the 75 per cent of agreement, the state officials and county offi-

cials are interested in maintaining the integrating machinery which makes it possible for the state to have an organization in each county and for the county nucleus to float along in the stream of political protoplasm. While it is true that the average term of office for a county official during the period under consideration was seven years, the foregoing evidence tends to show that not the personality and the ability of the incumbent, but the adherence to the proper political party was the cause of this relatively long tenure. It is true also that individuality is considered. A person cannot hold county office for forty years through wide fluctuations in party control, as did one Wisconsin county officer, with only party support.

The advocates of continuing the present system of choosing county officials appear to reach a dilemma regardless of the approach they take to the indictments of the status quo. If they admit partisan control of county offices, they are faced by the lack of connection between any of these offices and county, state, or national principles. If, in spite of the foregoing evidence, they maintain that people vote for the man instead of the party, they admit the futility of partisan elections. Even if they could cite any sort of county partisan platform on which the candidates could stand, they could present no case for the partisan election of these county administrative officials whose powers are carefully delimited by statute.

As a final argument, the advocates of partisan elections suggest that while nonpartisan elections might become the theoretically legal method, actually no such thing would occur. They fear that the Stalwart groups would combine to defeat the Progressives. This obviously flatters the power of the Progressives because the statistical analysis shows that in 1936 three-fourths of the coun-

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Death of a Gerrymander

*Attempts of
Cleveland council
to draw up new
ward boundaries
along political
lines meet with
decisive defeat.*

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CLEVELAND'S council, having failed in a spectacular attempt to gerrymander, has now given up ward-making until after the next census. The suggestion by one of the newspapers last year that it was once more time for the biennial attempt at redistricting went unheeded. The once discarded and now grossly unequal wards of 1921, which have served since 1933 as a makeshift, were used again for the election of councilmen taking office in January of this year.

The present wards, from which one councilman each is elected in odd-numbered years, were laid out under the mayor-council government antedating the city manager regime. Under the manager system, however, members of the council were elected by proportional representation from four large districts. Wards lost their legal significance for council elections, but continued to serve as convenient areas for election administration. Their precincts retained a statutory importance for the election of members of county central committees of the major political parties, and the discarded wards continued to provide localized party leadership. Since the twenty-five seats in the P. R. council approximated the thirty-three wards in number, and especially when distributed among four districts, many a candidate could obtain his quota of votes in a single ward. This tended to localize elections, and, except in such

rare cases as that of Professor Hatton,¹ candidates attached themselves to some ward. This meant that the councilmanic ward politics, carried over from the manager regime and before, dominated all efforts to set up new wards.

Although the new charter adopted in 1931 abolished the managership immediately and provided for an early mayoralty election, it continued in office the P. R. council elected at the time of the change and directed it to "... redivide the city into wards upon the basis of one ward for each thirty thousand population or major fraction thereof . . . [with, of course, the usual provisions as to compact and contiguous territory with natural boundaries or street lines]. The division of the city into wards existing at the time of the adoption of this amendment [charter], shall continue until changed by the council as provided herein." The population of Cleveland in 1930 barely topped 900,000, which would have justified the creation of thirty wards. Ignoring a Citizens League proposal for ward boundaries early in 1932, the council, by appointment in November of a redistricting committee composed of one Republican and one Democrat from each of the P. R. districts, started what proved in 1933 to be a most interesting effort at gerrymandering.

¹Dr. A. R. Hatton, then of Western Reserve University, who drafted the Cleveland P. R.-manager charter.—EDITOR.

Naturally both parties prepared re-districting ordinances, but with a Republican majority, the Democratic plan was lost from the first, and that of the Republicans was the basis of action. The inevitable fight for party election advantage set the objectives; that for the attainment of individual ambitions called for intraparty discipline; legal opinions provided obstacles; the existence of a Democratic mayor in opposition to a Republican majority in council imposed delays, two vetoes, and the difficulties of party discipline in overriding a veto; technical errors necessitated the passage of an emergency ordinance—vetoed and repassed. The referendum came to the rescue to override the over-ridden veto; pressure groups threatened an injunction; race prejudice and cohesion of nationality groups added embarrassments; and, finally, more charter changes were proposed. Meanwhile, the Board of Elections accepted petition nominations for the primary from the wards of 1921.

The 1931 election had given the Republicans an ordinarily comfortable majority of fifteen in a council of twenty-five. Two additional independent Republicans constituted a problem; eight Democrats furnished the opposition. The special mayoralty election having given the city a Democratic mayor armed with veto power, the Republicans could put their proposal into effect only if they could muster seventeen votes, the necessary two-thirds, to override a veto. They could not rely on one of the independent Republicans, for he really was independent. At first they were not sure of the other independent. Unfortunately for the Democrats, one of their members died, and the Republican majority dictated the council's choice of a faithful Republican successor. They now had, if they could count on just one of

the independents, and could maintain full attendance of their group, the all-important seventeen votes. Illness of one of their staunchest members, however, delayed action so long that the Board of Elections let it be known that it would be impossible in the time remaining before the date of the primary election to arrange names on the registers according to any new wards. But this did not daunt the council.

SUGGESTED BOUNDARIES BENEFIT REPUBLICANS

The general plan as drafted by the Republicans, calling for thirty-one wards to avoid "tie votes" in council, drew fire from the Citizens League because of the unequal distribution of population. Some wards, expected to yield predominantly Republican votes, had far fewer inhabitants than those with anticipated Democratic leanings. It was alleged that some ten wards taken together would have "disfranchised" some eighty-eight thousand people in Democratic areas; or, more correctly, the votes in the five smallest of the Republican wards thus set up (ranging from about 19,000 to 27,000 population) would be worth more by fully half again than those in the five largest of the Democratic wards (ranging from about 32,000 to 45,000 population).

Aside, however, from general opposition on this score, three or four areas of friction caused considerable manoeuvring before completion of the final draft. The lake-shore tier of three wards, 1, 3, and 8, on the west side covered a predominantly Republican area, and the wards south of them were in Democratic territory. Four Republicans, three of them in council and one a former councilman barely defeated for re-election, had their main support in these three wards. Ward 1 at the west was primarily responsible for the

very independent member in council; ward 3, in the middle, furnished the bulk of votes for the then Republican floor leader in council; and ward 8 had been the battleground on which the third councilman had overthrown the ex-councilman as ward leader. Both of these latter gentlemen were Irish, and ward 8 was known as an Irish Republican ward. A Democratic west-side committeeman, vainly attempting to take advantage of the schism, proposed extending ward 8 southward to break up this Irish solidarity by the addition of people of another nationality group. The new leader of the 8th, however, desiring more security, was able with the consent of his neighboring councilman, the floor leader, to extend his lines somewhat westward instead. This, in turn, obliged the extension of ward 3 westward, much to the embarrassment of one independent Republican from the vicinity of ward 1, who now felt the wrath of the organization through the extension of his now attenuated ward southward to include many hostile Democrats.

To the far northeast of the city, two neighboring wards, 26 and 32, were to become three wards. The former, in the parts to retain the number 26, contained mainly native white Americans, and the other embraced large groups of foreign-born, Italians and Slovenians, employed in near-by factories and railway shops. Ward 26 was definitely Republican; ward 32, Democratic. Ward 32 had as its southern part a strip separated from the rest by railroad yards. This strip was composed of three parts: the eastern and western ends yielding Republican votes; the middle, inhabited by the foreign-born, yielding Democratic votes. The native American portions were taken from the old 32nd and combined with parts of the old 26th to make a ward 21. The colony of foreign-

born was left in the old ward, but isolated south of the tracks. The new ward 26 exhibited an irregular projection eastward into the proposed 21st, accounted for by those in the neighborhood by the fact that within the block covered by this projection lived the secretary of the then 26th Ward Republican Club, the campaign manager of the then sitting councilman; in the block immediately north and relegated to the new 21st resided a dangerous opponent. And the law director had ruled that a councilman must reside in his ward.

Ward 20 in the center of the east side was populated by native white Americans ordinarily of Republican affiliation, but tempted somewhat by Democratic campaigners from wards to the north. One of the early proposals of the committee was to extend the 20th southward into the Negro-Republican area of the 18th and the western 19th. The junction lines of the 18th, 19th, and 20th are at one of the busiest subcenters of the city's trade, and the 19th contains in its heart, close to this business center, three institutions of higher learning, two large secondary schools, the home of the Cleveland orchestra, a park, and two museums. An organization representing real estate, apartment house, commercial, and other interests protested vigorously and threatened injunction proceedings. The final draft left that boundary of ward 20 where it had been.

As the time for the filing for candidacies in the primary election rapidly approached, the Republicans seized their first opportunity to act, when the member who had been ill once more took his seat. The opening of the council meeting that night was delayed nearly two hours while the Republican leaders assured their disgruntled members, especially the fallen leader of the 8th ward, that if the ordinance failed

to pass, election would have to be from the city at large—a political death sentence to most ward-type members. The resulting vote in council was seventeen to eight as anticipated. The Republican president of the council, held in public esteem but no longer anchored to a particular ward, leaving the chair during the hot debate, explained his vote by saying that there was no alternative to gerrymandering where election was by wards and renounced his council candidacy, since he said he did not care to be a mere errand boy to the city hall for little ward interests.

MAYOR VETOES REPUBLICAN ORDINANCE

The Democratic mayor took his full ten days for vetoing the ordinance; thus delaying action beyond the next meeting of the council. He then vetoed it on the ground that numerous errors had been discovered: that some four thousand people had been entirely omitted in one locality, and that several hundred in another had been included in each of two wards. It was useless at the next meeting of the council to repass the ordinance as it was, even though the necessary two-thirds vote was available. Feeling ran high, and when the respected veteran assistant law director ruled (after having hesitated on the matter earlier in the day) that the vetoed ordinance could not be reconsidered, one of the prominent Republican members denounced him for rendering a "political" opinion. When the councilman was generously booed by the throng, he wheeled about with the challenge, and repeated it, that he could "lick" any of his boosers.

Reconsideration was abandoned, and, while other business was transacted, or while members argued in groups, Republican leaders retired hastily, revamped the ordinance, and then intro-

duced it as an emergency measure which, with the three-readings rule suspended, required the two-thirds vote and reading in full. The experienced clerk "read" the ordinance while the audience whispered and members milled about, and then stated solemnly, when interrogated by the chair, that it had been read in full. Thus passed, it was repassed two weeks later, following its veto. At once petitions were circulated by the Democrats for a referendum which was set for the date of the primary election. Meanwhile, the Board of Elections, unperturbed, accepted nominations from each of the thirty-three wards (1921 style) from which members were elected in November after the defeat of the gerrymander ordinance at the polls.

FURTHER REDISTRICTING ATTEMPTS

Since that defeat, redistricting committees were appointed in 1934 and 1935. They never reported. The naming of the committee in 1935 presented an interesting angle. A Republican mayor with a none-too-strong majority in council feared defeat of his budget. He is said to have assured a west-side Democratic councilman that the Republicans would let him carve out a ward to his own liking, and as evidence of it one may point to the nature of the committee appointed. It was divided into two subcommittees, the one on the east side having Republicans in a majority, and that on the west side, one Republican and two Democrats.

In the interval since 1933 minor alterations only have taken place. One ordinance included an annexed area in an adjacent ward. Several other ordinances were introduced, which, had they passed and the process been pursued further, might have meant piecemeal redistricting. One effected a trans-

fer of a few people in a half block from ward 5 to ward 6, corrected an awkward ward line, and thus took into ward 6 (perhaps not incidentally) the residence of its councilman. Others involving larger groups of people, were ruled out by the Law Department which now holds that redivision must

be done all at once, and that soon after the completion of a federal census.

To avoid the danger of one's vote tending to unseat himself, members of the council now hope that by the next census, Cleveland will have grown in sufficient numbers to warrant the continuation of the thirty-three wards.

WISCONSIN COUNTIES AS POLITICAL CHESSMEN

(Continued from Page 248)

ties were controlled by Stalwarts. More fundamentally, this argument suggests not only that machine politics are inherently a part of the county system, but also that the electorate is not sufficiently election-minded to choose men for office on any sort of merit basis. The "partisanites" point to coalition experience in Milwaukee to substantiate their claim, but forget entirely that even the Supreme Court considered Milwaukee so different from the rest of the state that it was exempted from the application of the uniformity clause.

The fact that the foregoing evidence had never before been compiled indicates that an objective approach to the problem has never been attempted. To this moment reactions to the question of nonpartisan elections in counties have obviously been based on partisan con-

siderations. The administration of county government has been forgotten in the stronger urge to sustain state political machinery. In the face of requests from the county officials themselves, the legislature has refused to take action or to sound out public opinion. Had those charged with the problem sought the evidence, they would have discovered:

1. The Republican party has consistently dominated county elections in Wisconsin.

2. A close correlation exists between the party vote for all five county offices.

3. Not only has the number of Democrats in county office increased disproportionately with the Rooseveltian landslide, but

4. In 75 per cent of all cases, the party voted for in county, state, and national elections coincides.

5. A third of the county elections go uncontested.

THE LEAGUE'S BUSINESS

(Continued from Page 242)

Arnold Frye, Hawkins, Delafield & Longfellow, New York City, *Chairman*; Frederick L. Bird, Municipal Service Department, Dun & Bradstreet, Inc.; A. E. Buck, Institute of Public Administration; William P. Capes, New York Conference of Mayors and Other Municipal Officials; Henry P. Chandler, attorney, Chicago; Carl H. Chatters, director, Municipal Finance Officers' Association; J. Hamilton Cheston, vice-president, Philadelphia Savings Fund Society; Henry Cutler, Chicago; Walter R. Darby, State Auditor, New Jersey; E. Fleetwood Dunstan, Bankers Trust Company, New York City; Robert M. Goodrich, director, Providence Bureau of Governmental Research; Mark Graves, president, New York State Tax Commission; Raymond Greer, City Comptroller, Jersey City, New Jersey.

Earl E. Hagerman, director of finance, Dayton, Ohio; Clifford W. Ham, director, American Municipal Association; C. A. Harrell, city manager, Schenectady, New York; Dr. W. Carleton Harris, Philadelphia; Henry Hart, vice-president, First of Michigan Corporation; August Ihlefeld, Jr., executive vice-president, Savings Banks Trust Company, New York City; Morris

(Continued on Page 260)

Coöperative Governmental Purchasing in the Irish Free State

Irish industries greatly benefited by nation-wide scheme of governmental purchasing. Savings in costs and improved quality of materials also products of new system.

CHARLTON F. CHUTE
University of North Carolina

AMERICANS generally have been proud of the leadership which, in both public and private life, has furthered the cause of "efficiency and economy" through centralized purchasing. The advantages of centralized governmental purchasing have been restricted, with a few outstanding exceptions, to one specific government. Neither the states nor the federal government have been aggressive in trying to secure for other public bodies the advantages deriving from the combined purchasing power of all governments on one or several levels. The rule in this country is that each government, be it a town, a city, a county, a state, or the federal government, purchases without regard for the buying of the other governments.

No wonder, then, that when some of the cities in the Michigan and Wisconsin Municipal Leagues purchased fire hose coöperatively their action should be hailed as a new and important step in the history of American government.

Coöperative governmental purchasing arrangements in Europe have attracted the attention of American students of local government from time to time, but perhaps the most interesting and significant coöperative arrangement known, namely that in the Irish Free State, has so far escaped notice in this country.

In December 1921 the Irish Free State Department of Local Government and Public Health undertook to intro-

duce a coöperative purchasing system for the local governments in that country. This system, improved and extended, has functioned for the past seventeen years. It may therefore be said to have outgrown the experimental stage, although some aspects of the system are still in process of evolution.

The advantages of such a system had been pointed out in the auditor's reports on the Grangegorman Mental Hospital, and the Dail Eireann Commission of Inquiry into Local Government examined the proposal and recommended it. The objects of the proposed system were: (1) to effect economies through collective purchasing; (2) to insure the satisfactory quality of the material obtained; and (3) to aid Irish industries. The first step in this new undertaking was to secure the requirements of the various public bodies and institutions, classify them, and invite bids.¹

The first price list of the Department of Local Government and Public Health was issued on April 4, 1922, and contained over seventy commodities and classes of commodities. The list of commodities dealt with was much more comprehensive than had been expected, and competition for their sale was keen. It was discovered that there was great

¹Data taken from the *Annual Report of the Irish Free State Department of Local Government and Public Health, 1922-1930, 1935-1936*, and from data received from Mr. T. A. Smiddy of that department under date of March 14, 1934, and September 14, 1937.

variety in the qualities used and hence a standardization program became essential.

Conferences to standardize commodities were held with representatives of mental, county, and district hospitals, poor-law unions, industrial schools and reformatories, and county borough and urban councils meeting for this purpose. Representatives of woolen, cotton, and linen manufacturers were invited to give expert advice on technical points. Wide ranges of samples of the various articles under consideration were displayed and efforts were made to standardize on as few types as possible. It is stated that articles of Irish manufacture were chosen in every case possible.

The representatives of the governmental agencies were invited to elect delegates to an advisory committee to deal with any questions which might afterwards arise. Later, samples were forwarded to each public body and institution for checking the commodities delivered and, on commodities not subject to a superficial check, specifications were drawn.

LOWER PRICES SECURED

Again bids were invited on the basis of samples and specifications and a second price list was issued giving the contract price for the following six months and a copy was sent to each public body and institution. Two trade inspectors were appointed to examine the goods coming into institutions and to explain the working of the coöperative purchasing system to officials. Cases of complaint were taken up with suppliers and the questions in dispute adjusted. Reproduced here are a few prices, taken from the departmental reports, indicative of the merits of the new system.

Perhaps the most striking instance of the economy of collective purchasing occurred in the purchase of medicines,

TABLE I

IRISH FREE STATE

Comparison of Local Contract Price and Official Price in Selected Commodities

Article	Local contract price	Local government contract as per specification or trade term contained in official list	Price carriage paid
Check for aprons	2/1½ yd.		1/2 yd.
Rice	40/- cwt.		19/- cwt.
Blue serge	17/11 yd.		10/6 yd.
Shell cocoa	24/- cwt.		12/- cwt.
Brown scouring soap	47/6 cwt.		39/6 cwt.
Aluminum soup plates	19/6 doz.		9/6 doz.
Sweeping brushes	102/- doz.		54/- doz.

which had been secured prior to this time at a price ranging from list price up to a discount of 17 per cent from list. Under the coöperative purchasing scheme, medicines were purchased at a discount of 25 per cent from country prices and 28 per cent from prices in the large cities, thus permitting the smallest purchaser to enjoy the favorable terms received by the largest.

It was found that margarine purchased without specifications contained as little as 5 per cent animal fat. Under the new specifications the margarine purchased contained 80 per cent fats of which 50 per cent were animal fats. It is stated that the price charged for this more valuable product compared favorably with that of the relatively worthless one formerly bought.

During 1922 contracts were entered into on behalf of the *Garda Siochana* (the national police force), the Dublin metropolitan police, and the prisons board, with considerable savings in each case. More recently some purchasing has been done for the army.

In 1925, after discussion in the Irish Parliament, there was passed in that body a most unique act entitled, "Local Authorities (Combined Purchasing)

Act, 1925."² The subtitle of the act reads: "An act to make provision for the purchase of commodities by local authorities from contractors appointed officially with a view to the obtainment of such commodities by local authorities at the lowest possible price and for materials connected therewith."

So far as is known, this is the only instance in which a central government has endeavored to aid local governments through a permanent coöperative purchasing scheme.

PROVISIONS OF THE ACT

In brief, the act provides as follows: the Minister for Local Government and Public Health of the Irish Free State solicits bids from persons desiring to be "official contractors" under the act. The official contractors are named on the basis of such bids, although no criteria for the selection of the official contractors were set up in the act. The appointment of the official contractors does not constitute or imply any contract between the minister and the contractor but the minister may require the contractor to enter into "any undertaking which the minister considers to be desirable in relation to the quality of the commodity to be supplied by him, in the manner in which such commodity is to be supplied, the charges to be made for delivery, penalties for failure to supply, the conditions of employment in relation to the production or supply of the commodity, or any other similar matter."

Local authorities requiring a commodity are to send a request to the official contractor in the prescribed form and the contractor shall be deemed to have entered into an enforceable contract to supply the commodities so requested at the prescribed price and in accordance with the standard qualities.

In many respects the most interesting part of the act lies in the following provisions which tend to force the local authorities to buy coöperatively.

Whenever a local authority purchases or enters into a contract for the purchase of any commodity for which an official contractor has been appointed under this act with a person who is not an official contractor for such commodity, an entry shall be made in the minutes of such local authority stating the reasons for such purchase or contract.

Such entry shall be produced at any audit of the accounts of the local authority which includes any payment for such commodity or under such contract.

At any such audit unless the auditor is satisfied that such purchase or contract was not made for any fraudulent or improper purpose or object or for any object other than the *bona fide* discharge by the members of the local authority making or authorizing the making thereof of their duties in the interest of the ratepayers, he shall charge against such members jointly and severally the amount of any loss caused to the local authority by such purchase or contract, whether such loss arises from the price paid for the commodity or from the quality of the commodity so obtained or otherwise howsoever, and in the case of a contract if in his opinion any such loss as aforesaid is likely to result from the continuance of the contract he may declare such contract to be illegal.

The act provides that the minister may make tests and analyses of the commodities supplied to local authorities by official contractors, and may hold conferences of representatives of local authorities to discuss matters connected with the act. For the purpose of advising and assisting the minister in the performance of his duties under the act, there was established an advisory committee to be known as the Local Supplies Advisory Committee, to be made up of five persons as follows: Two persons who are elected members

²1925 Public Statutes of the *Oireachtas* 299.

of the county or county borough councils in the Irish Free State; two persons who are elected members of urban district councils or commissioners of towns in the Irish Free State; and one person who is a representative of commerce in the Irish Free State.

Before making appointments to the committee, the act provides that the minister shall consult with associations of county or county borough councils, urban district councils, town commissioners, or of commerce, as the case may require. The members of the committee are to retain their memberships for the period of their appointment as prescribed by the minister and shall be eligible for reappointment. The committee is to have a secretary nominated by the minister or by its own initiative.

The act contains the following significant provision: "The committee shall consider and advise the minister on all matters which shall be referred to it by the minister, and the committee may also, at its discretion, consider and if it thinks fit, report to the minister on any other matter relating to or affecting the supply of commodities to local authorities under this act."

COSTS DIVIDED

The minister's costs for administering the combined purchasing system were to be allocated to the counties and county boroughs in proportion to the net annual value of the property ratable for poor rate in them. The county or county borough was to raise the amount assessed as above by means of the poor rate and pay the sums collected into the Irish Free State treasury.

The act provides that the minister's inspectors can:

1. Enter public institutions and inspect and make an inventory of the commodities in them;
2. Report to the minister the results of such inspections and stocktakings; and

3. Attend any meeting of the governing board of such institutions and take part in the proceedings, other than voting.

The act provides further that the minister may make regulations on the following subjects:

1. Appointing the procedure to be adopted by local authorities in carrying this act into effect;
2. Determining the standard of quality for any commodity for which the minister has appointed or intends to appoint an "official contractor";
3. Prescribing the conditions of supply for any such commodity;
4. Authorizing the provision by the minister of official samples of any commodity for which he proposes to appoint an "official contractor" and providing for the deposit of such official samples for public inspection;
5. Regulating the procedure and other matters relating or incidental to any testing or ascertaining of the quality or nature of any commodity for which he is authorized by this act to make arrangements;
6. Requiring that any commodity to be supplied shall be manufactured wholly or in part in Saorstát Éireann;
7. Requiring that the wages to be paid and the conditions of employment to be observed by an official contractor for the supply of any commodity to local authorities shall be such as are required in the execution of contracts with a state department.

Finally, the act provided that it should expire three years after its passage, but the act has since been renewed annually under the expiring laws. This annual extension of the act by governments controlled successively by each of the major political parties in the Irish Free State gives some notion of the popularity of the local authorities' combined purchasing idea.

Conferences were held with the representatives of the local governments concerned in January, 1926, and it is re-

ported that the interchange of views resulting from the conferences proved of great practical value.

On February 9, 1926, regulations under the Local Authorities (Combined Purchasing) Act were made dealing with applications for appointment as "official contractors," standards of qualifications for commodities to be supplied, conditions of supply, provision of official samples, and the testing or ascertainment of the nature of the quality of the commodities.

It was discovered that with each successive price list there was an extension of the number of articles contracted for. The number of items reported on the official list and the number of firms bidding, over a period of years, is shown in Table II.

TABLE II

IRISH FREE STATE

Growth of Number of Items on Official List
and Number of Firms Making Bids

Date	Number of items	Number of firms Bidding
September 30, 1925	1207	223
March 31, 1926	1185	293
March 31, 1927	1563	321
March 31, 1928	1717	Not reported
March 31, 1929	1724	"
March 31, 1930	1797	"
March 31, 1934	2064	"
March 31, 1935	2253	"
March 31, 1936	2572	"

The official list of commodities for which contractors have been appointed under the combined purchasing act is now a bulky document. In size and content it reminds the specialist of the United States Government's *General Schedule of Supplies*. The Irish Free State's *Official List* for the twelve-month period ending March 31, 1937, is a 217-page document. At the foot of each page of this catalogue appears the legend, in large type, "Support Irish Manufacture," which lends weight to the theory that one of the principal objects of the act was, and is, to encourage Irish industry.

An early annual report of the Department of Local Government and Public Health states that the advantages of the combined purchasing system were widely recognized and that generally local bodies availed themselves of the commodities listed at the standard prices.

In the annual report for 1925-1926 it is stated that the number of inspections carried out was 560, the number of tests made was 219, and in 62 instances it was found that the commodities supplied were not in accordance with the official standards. Of the latter, the greater number of unsatisfactory articles were obtained directly by local authorities from suppliers other than the official contractor.

Later reports contain the following information on tests made. It will be noted that the quality of materials furnished by local contractors improved greatly over the period shown:

TABLE III

IRISH FREE STATE

Samples Taken on Local Contract Purchases
and Official Contract Purchases
and Relative Deficiencies

	Number of samples taken	Samples found deficient in quality	
		Number	Per cent
1927-1928			
(a) Local contractors' commodities	89	62	69.7
(b) Official contractors' commodities	241	19	7.9
1929-1930			
(a) Local contractors' commodities	39	18	46.1
(b) Official contractors' commodities	273	47	17.2
1935-1936			
(a) Local contractors' commodities	48 ^a	14	29.2
(b) Official contractors' commodities	315 ^a	52	16.5

^aThese figures do not include 90 samples, on which only incomplete information is given in the report, as follows: 32 road samples reported satisfactory "with few exceptions"; 53 items of which 4 were rejected, 3 official contractors' commodities and 1 a local contractor's commodity; 5 textile samples, origin unknown, of which 3 were rejected.

By guaranteeing a large market it has been possible to develop the home manufacture of certain articles which formerly had been imported. Such articles included bedsteads, wrought iron fenders, fire irons, sleeping vans, Ford and Dodge ambulance bodies, hammered steel road shovels, food and drug bottles, army-gray shirting, watering carts, and tar compounds.

Throughout the history of the system preference has been given, whenever possible, to articles of Irish manufacture. It is stated that during the six months ended March 31, 1930, there were 620 items in the official list for which bids were submitted by manufacturers of the Irish Free State and of these 593, or 33 per cent of all the items on the official list, were accepted. For the year ending March 31, 1936, the number of Saorstat items increased to 1,148 out of a total of 2,572, or 45 per cent. Table IV shows the recent steady growth in the number of Saorstat-produced items:

TABLE IV
IRISH FREE STATE

Growth of Items of Home Manufacture

Year	Saorstat items	Non-Saorstat items	Total items
1932	605	1,285	1,990
1933	724	1,340	2,064
1934	848	1,289	2,137
1935	907	1,346	2,253
1936	1,148	1,424	2,572

With respect to the cost of operating the system Mr. T. A. Smiddy gives the following information:

From returns received from "official contractors" and local authorities, for the six months ending September 30, 1933, the expenditures of the latter in purchases under this act amounted to £334,413.7.3 of which £165,013.19.8 was for articles of Saorstat manufacture. The cost of administration of the branch of local government dealing with central purchasing during the same period was

not more than £2,500, or roughly less than one per cent. The amount saved to the ratepayer during the same period was not less than £45,000.

The 1935-36 report of the department states that, "The total assessment [on the various counties, county boroughs, etc.] for the year 1935-1936 was £4,420, 9s., 2d." Purchases made by the department for the same period amounted to £474,298. Here again the cost of the department to the local governments was less than one per cent. This cost factor compares favorably with those of the best governmental purchasing agencies in the United States.

MANY ADVANTAGES

From the available evidence it would seem that the advantages of the Irish Free State's coöperative purchasing system are as follows:

Lower prices were secured, particularly for the smaller jurisdictions, as a result of the pooling of the purchasing power of all the local governments in the country.

Commodities of superior quality were secured through a state policy of purchasing under written specifications and the inspection and testing of deliveries. Doubtless many of the smaller jurisdictions would have had neither the money nor the trained personnel needed to develop satisfactory specifications and the inspection and testing of deliveries.

If we assume the desirability of encouraging Irish industry, the system has tended to develop such industries by virtually guaranteeing a local market of sufficient importance to interest capital in undertaking the manufacture of certain commodities.

Finally, the coöperative purchasing system has evolved slowly through the constant conference and coöperation of representatives of local governmental

bodies, representatives of industry, and the Free State Minister of Public Health and Local Government. Permanent machinery has been provided to assure local government of a voice in the conduct of the system.

In conclusion, it may be well to point out some of the characteristics of the Irish Free State which have tended to encourage the successful development of the coöperative purchasing system.

In area the Irish Free State is not large, being somewhat smaller in size than the state of South Carolina. Its population was officially estimated in 1935 to be about three millions, making it roughly the equal of the states of Wisconsin or North Carolina. It would seem that coöperative purchasing would have a greater chance to succeed in such a small and compact country than in, for example, a country like Australia, where the population is scattered and communication somewhat difficult.

A second factor encouraging the growth of coöperative governmental purchasing in the Irish Free State is the dominant economic policy. Both of the principal Irish political parties, the Fianna Fail, led by Mr. de Valera, and

the Cumann na nGaedheal, led by Mr. Cosgrave, have had in common a program of encouraging Irish industry. We have seen how the coöperative purchasing system fits into this national economic program by tending to assure a domestic market for Irish manufacturers. It is of interest to American observers to note that, by thus assuring a market by governmental action, there tends to grow up a pressure group of Irish manufacturers with an economic stake in the *preservation* of the coöperative governmental purchasing system.

Finally, contemporary Irish political observers note³ the absence of an intense feeling of devotion to the theory of local self-government in Saorstát Éireann. The absence of such a theory would undoubtedly tend to make easier the introduction of coöperative governmental purchasing. The question of whether coöperative governmental purchasing really violates an enlightened theory of local self-government may well be left open to discussion.

³*The Irish Free State, Its Government and Politics*, Nicholas Mansergh, p. 249, Macmillan, 1934.

THE LEAGUE'S BUSINESS

(Continued from Page 253)

B. Lambie, Harvard University; John S. Linen, second vice-president, Chase National Bank, New York City; Henry F. Long, commissioner of corporations and taxation, Massachusetts; Seabury C. Mastick, President, New York State Commission for the Revision of the Tax Laws; Joseph D. McGoldrick, comptroller, New York City; Charles A. Miller, Savings Banks Trust Company, New York City; Frank C. Moore, executive secretary, Association of Towns of the State of New York; Frank H. Morse, Lehman Brothers, New York City.

William Bennett Munro, Pasadena, California; Mabel Newcomer, Vassar College; Major Fred N. Oliver, National Association of Mutual Savings Banks; Carl H. Pforzheimer, Sr., treasurer, National Municipal League; Clarence E. Ridley, executive director, International City Managers' Association; C. E. Rightor, chief statistician, statistics of states and cities, Bureau of the Census; William R. Shands, director, Division of Statutory Research and Drafting, Richmond Virginia; Sanders Shanks, editor, *The Bond Buyer*; John F. Sly, Princeton University; Judge Thomas D. Thacher, chairman, New York City Charter Revision Commission; C. W. Tooke, School of Law, New York University; Morris S. Tremaine, state comptroller, New York State; Lent D. Upson, director, Detroit Bureau of Governmental Research; Paul A. Volcker, City Manager, Teaneck, N. J.

HOWARD P. JONES, *Secretary*

Little Rock, What Now?

Despite recent defeat for "home rule," city manager sentiment continues strong in Arkansas capital.

GEORGE E. PELLETIER

Consultant to Little Rock Citizens City Manager Committee

JUST a week to the day after so-called "home rule," which would have included the writing of a city manager charter, was defeated in Little Rock, Arkansas, February 14th, the city council, which had almost unanimously opposed any change in the antiquated governmental set-up of the Arkansas capital, wreaked its vengeance upon Mayor R. E. Overman, who had been the outstanding leader in the campaign for simplified government.

The council stripped "Overman Park" of its name and voted to call the playground "Fair Park" instead. It summarily fired several appointees of the mayor, including a secretary. Then it adjourned amid scenes of confusion. The spectacle drew from the *Arkansas Democrat*, Little Rock's afternoon newspaper, the following acid comment:

Monday night's childish spectacle staged by the Little Rock city council was a typical picture of a room of fifth-grade school children angry with their teacher. The statesmen making up the council personnel drew pictures on the blackboard, made faces at the teacher, and were just as naughty as they could be, the scamps!

They presented a concrete example of the high efficiency we recently heard so much about by sponsors of the time-worn aldermanic form of government.

The incident helps to explain the result of the home rule election in which the aldermen, their lieutenants, and the city employees (supposedly under civil

service, but given free rein in this case to engage in non-political opposition to city management), marshalled 5,171 votes against writing a new charter to 1,942 in favor, gleaned by an inadequate organization which was too hastily set up to be effective and which had too little time to properly explain the advantages of management.

First glance at the figures would lead to the conclusion that in Little Rock, at least, the city manager movement has been given a definite setback. But this is far from the truth. The result, if it proves anything, demonstrates that you can't get city management overnight and you can't get it without months of grubbing groundwork out of which must grow a real local citizens' organization.

The Little Rock movement had neither the groundwork nor the broad citizens' organization. It was fettered further by the vagaries of a law which, while it made possible the writing of a progressive and adequate charter, also promoted somewhat unjustified suspicion of the charter committee's motives and prevented the waging of a clean-cut campaign on the merits of management versus the inefficiency of the city's present mayor—large council form of government.

The writer was engaged as consultant to the committee sponsoring the campaign, but was called upon, during the course of the electioneering, to take on many other duties—among them the

management of headquarters and the carrying on of extended educational programs in the newspapers, on the radio, and from the public platform. Had there been fuller participation by Little Rock civic leaders in these phases of the campaign, the result might have been considerably different. But many who were sympathetic to management would not "stick their necks out," as the local phrase goes, because of business affiliations, prejudices left over from a recent heated senatorial campaign, or out of consideration of the possibilities of the state campaign to be fought this fall.

WEAKNESS OF HOME RULE LAW

Moreover, from the beginning the campaign was doomed to failure—not on the issue of management, but on the issue of act 311 of the acts of Arkansas of 1931, under which the home rule election had to be held.

Under this law the preliminary election of February 14th was held to determine whether Little Rock should have home rule, so-called (*i.e.*, whether a charter, of which a mandatory provision would be a council of five and a manager, should be written). At the same time the voters were to choose a charter committee of seven men, proposed by the sponsors of the manager movement, to write such a charter.

The law also provided that only the names of the seven charter committee candidates proposed by the manager sponsors (who had filed the petition for the special election and who, under the law, were to pay the election costs) could be printed on the ballot.

In view of the fact that only fifty-four names had been required on the petition to make the calling of the special election mandatory, (*i.e.*, 15 per cent of the vote for mayor at the last city election, which had been only 357 because the Democratic nominees had

been unopposed), and although the sponsors actually filed 108 names, or twice the number required by law, the opposition, which included sixteen of the city's eighteen aldermen and two former mayors, immediately raised the cry of "hand-picked" against the committee candidates and re-echoed this refrain to the end of the campaign.

This weakness in the law, which in truth handicaps rather than aids any city management campaign, is one which both proponents and opponents of home rule agreed after the campaign should be remedied by the next session of the legislature.

Further handicapping the manager group was the additional provision in the law that would have given the charter committee, had one been elected, the privilege of "suggesting" five candidates for the first council, or "board of control" as defined in the act, with the further stipulation that only the names of these five suggested candidates be printed on the ballot at the second election, at which the charter might be accepted or rejected and the first board of control elected.

As may readily be seen, this gave the opposition additional opportunity to make whoopee with the "hand-picked" issue and raise the new cry of "undemocratic" with telling effect.

But despite these defects it may be truthfully said in defense of act 311 that it did make possible the writing of a good city manager charter by the charter committee and it did give full opportunity at a later election for all the people to accept or reject such a charter and the suggested nominees.

Further, the suggested charter-writing committee consisted of truly leading citizens of the community, men who in the past had given liberally of their time and money to projects for civic betterment. There is every reason to believe they would have written a

worth while charter. In the few public declarations they made during the campaign as well as in the privacy of committee meetings they showed a sincere desire to perform unselfish service if given the authority to write a charter.

The opposition, on the other hand, was made up largely of run-of-the-mine, small-fry politicians and jobholders interested primarily in safeguarding a system which had kept them in office or in wages and perquisites for many years past and which probably would continue to do so if left undisturbed.

These points were lost, however, to a population which roused easily to the opposition cries of "dictatorship," raised by the jobholders and office-seekers who were backed 100 per cent by the Democratic city committee in a community where political independence is both unpopular and unprofitable and the citizenry in general is apathetic in local political matters. This apathy was demonstrated by the fact that only 7,113 votes were cast in the home rule contest, which the newspapers characterized as a "hot" election in this city of 81,679 residents.

MORE TIME AND WORKERS NEEDED

Nor was there much time to prepare the way for more widespread interest and possibly a more favorable result. Under the law the election had to be called two months from the date of the filing of the petition, which was presented December 14th. Because of the intervening holiday season, little was done about the campaign until the middle of January. By the time it got going in earnest only three weeks remained to election day.

It would have been nothing short of a miracle if a sufficiently widespread educational program could have been made effective in so short a time, or a thoroughgoing organization mobilized for action.

Another practical handicap was the lack of speakers in behalf of home rule. With the exception of the writer and of Mayor Overman, one of the champions of management, we had no "regulars." A few prominent citizens and civic leaders—notably Joshua K. Shephard, former president of the Little Rock Chamber of Commerce who had led a manager campaign in 1934; Mrs. George Branner, former president of the Little Rock Women's Club; Mrs. Ed Cornish, a trustee of the Public Library—were induced to make radio talks, as were two or three others. Two of the charter committee candidates also spoke over the air. But that was all.

They could not offset the efforts of hundreds of city employees, including the uniformed police and firemen, all under a supposedly non-political civil service system, who campaigned openly and unashamedly for the opposition under the delusion that a change in the form of government would upset their civil service status which was safeguarded by statutes which no charter could alter.

It became obvious, as the campaign progressed and our workers had opportunity to contact the citizenry, that very little was known by the average voter about city management. In some cases there was honest interest in the subject, but in many other instances the minds of the voters had been so poisoned by misinformation and suspicion that a more extensive educational program would have been needed to disabuse them of foolishly false notions.

Not a few, for instance, were led to believe by the opposition that if they voted for city management never again would they have an opportunity to vote for any of their city officials! Others were told—and believed—that if city management came, every employee

of the city would be thrown out of his or her job!

There was neither time nor reasonable opportunity during the brief few weeks of the campaign to reach these people. Many of them, furthermore, gave evidence of blind loyalty and confidence in the opposing aldermen, some of whom were not above setting old prejudices to work when logic failed.

To the credit of many sincere citizens of Little Rock who visited the headquarters so that they might "know both sides," it should be said that once they were shown the true provisions of the law and the falsity of extravagant conclusions drawn by the opposition, they went their way assured that if home rule won nothing worse would happen than that a charter would be written for submission to the voters at a later election. Many of these voted their convictions on election day and they should be recruited to form the backbone of the next movement for management in Little Rock.

Mayor Overman's long standing antagonism to the public utility companies, fanned to new enthusiasm by the undoubted success with which his administration has taken over a private water company and developed an almost model water system for the city, served to drag the gas and electricity rate issues somewhat needlessly into the campaign. The result was that several political lawyers with utility affiliations openly opposed home rule while privately paying lip service to the principle of management, using the old "it's a good thing, but we're not just ready for it yet" argument.

Both the city's newspapers, the *Arkansas Gazette* (morning), and the *Arkansas Democrat* (evening), did yeoman service in behalf of city management and home rule. Both newspapers had almost daily articles and editorials outlining the advantages of

simplified manager government and explaining the issues of the campaign in the light of the law. The writer contributed a thrice-weekly series of articles on city management at work in other cities to the *Gazette* and conducted a daily "Question and Answer" forum on management in the *Democrat*.

Never, perhaps, has a campaign received more publicity of a favorable nature; yet, equally, never was a campaign waged in the field with a smaller organization.

There were no citizens' groups to draw from for workers because no groundwork had been laid. The few workers at headquarters were paid and were efficient and devoted, but there were too few in the field. The men's organization had a bare half-dozen and the women's group probably fifteen at the peak during the final week. In addition there were occasional volunteers who offered their services on a part-time basis and others who did canvassing or who loaned their cars. But there was neither time nor opportunity to weld together the precinct and block organization which would have been needed to offset the hundreds of workers on the other side, attracted to it by personal friendship for the candidates in the Democratic primary, which the city committee purposely set for the same day as the home rule election, or in return for favors granted in the past by officials now fighting for their jobs.

As noted already, without the sympathetic assistance of the press, due largely to the coöperation of Mr. H. N. Heiskell, editor of the *Gazette*, and Mr. W. T. Sitlington, managing editor of the *Democrat*, even the result obtained would have been impossible. The newspapers undoubtedly reached many people whom neither workers nor speakers could contact directly.

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Administration as a Science

*A review of eleven
essays prepared
by management
experts both in
this country and
abroad.*

MARSHALL E. DIMOCK
University of Chicago

FRESH impetus has been given to the conversion of the management art into a scientific subject. A short time after the appearance of W. F. Willoughby's arresting title, "The Science of Administration" (in *Essays in Political Science*, edited by Mathews and Hart, 1937), Luther Gulick, with L. Urwick as co-editor, has made available eleven papers by writers at home and abroad and has released them in an attractively bound volume entitled *Papers on the Science of Administration*.¹

There is a rebirth of faith in the possibility of developing a systematic and scientific body of knowledge known as public administration. The fluctuation of conviction and doubt over the last ten years has been a striking one. Only four years ago, outstanding students of public administration were confessing that they were disillusioned in their belief that ultimately administration would become a science. "The germ of administration has not been isolated," some of them said, "and it seems doubtful whether it ever will be." Apparently it has since been discovered that the analogy was an improper one.

This change of heart seems to be at

least partially accounted for by the increasing utilization of the abundant material on fundamental administrative theory lying outside the field of public administration proper. Social scientists, to their profit, are more and more employing the comparative method.

In the series of eleven papers, Luther Gulick writes the first and the last, and they are easily the newest and most interesting. From the standpoint of arrangement it is in some ways unfortunate that his discussion of "Science, Values, and Public Administration" did not come at the beginning of the volume, in order to make explicit some of the positions assumed in the preceding analyses, particularly the ones by the editors. Gulick's contention is that administration, in order to become a science, must be definitively delimited in scope and must, if possible, be systematized without any relation whatever to values, with the single exception of efficiency. "'Should,'" he says, "is a word political scientists should not use in scientific discussions." He points out that the physical sciences, which now enjoy great prestige because of their systematization and certainty, were a long time in acquiring their present orderly form. He expresses confidence that in time administration may be correspondingly systematized and categorized in the form of rules and principles. Having expressed this conviction, he proceeds to deal with the relation

¹*Papers on the Science of Administration*. By Luther Gulick, L. Urwick, James D. Mooney, Henri Fayol, Henry S. Dennison, L. J. Henderson, T. N. Whitehead, Elton Mayo, Mary P. Follett, John Lee, V. A. Graicunas. Edited by Luther Gulick and L. Urwick. New York, Institute of Public Administration, 1937. vii, 195 pp. \$3.00.

between science and values. He stresses the central position occupied by efficiency, which is the achievement of stated objectives with the least expenditure of energy and materials. In both his essays, however, he emphasizes the qualifying influence of democratic desires and institutions, which he says may cause deviations from administrative principles but do not change the principles themselves. There is nothing particularly new about Gulick's discussion of scientific method; however, as related to the subject matter of public administration, it both presents a challenge and points the way.

The editors make it clear that there were several reasons for bringing the discussions together, despite the fact that most of them had been published elsewhere. One important reason is that some of them are not readily available; for example, Urwick's "Organization as a Technical Problem," a valuable treatise on the problem of coordination, has heretofore been out of print. Then, too, so much has been written on administration in business, government, education, military establishments, etc., that the more systematic and penetrating discussions are likely to be hidden from view so far as the general reader is concerned. The editors also express the conviction that there is already a high degree of coincidence between the fundamental positions taken by authorities respectively on governmental and business administration.

Most of the papers deal with principles of organization and do not attempt to cover other component parts of the total field of administration. Apt is James Mooney's observation to the effect that "people think of organization as in some way synonymous with administration or management." In view of the purposes which the editors

had in mind, this restriction of focus need not be taken as a weakness. Because of the nature of the subject matter, attempts to discover principles in the field of organization are numerous and more successful than is the case in other subdivisions of administration. It seems clear to the reviewer that this will continue to be the case.

The selection of these papers from the scores available will naturally cause disagreement among the experts, because different selectors would almost surely have different estimates of the relative value of possible selections. This reviewer considers the symposium about as good a compilation of analyses as could have been attained. The task confronting the editors was made more difficult because of the fact that most of the papers were not pointed toward the objectives of this particular collection. Thus, for example, Mary Follett has contributed considerably more to the thinking of public administration than is suggested by her short discussion entitled "The Process of Control." The same observation is true of the consolidated contribution of L. J. Henderson, T. N. Whitehead, and Elton Mayo, whose writings supplied a short paper entitled "The Effects of Social Environment," dealing with two Western Electric experiments in morale which have been extensively discussed in Whitehead's book and elsewhere. Anything of John Lee's is almost sure to be significant; but there are passages in his writings which in the reviewer's opinion surpass those contained in his present paper on "The Pros and Cons of Functionalization." L. Urwick's second discussion deals primarily with the writings of Henri Fayol and with Mooney and Reilley's *Onward Industry*, but he does give the reader significant annotations and expresses anew his confidence

(Continued on Page 288)

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

Los Angeles "Disaster Plan" Meets Test.

—The "disaster preparedness" organization of Los Angeles, California, proved its worth during the recent floods, according to the city's efficiency engineer, Burton L. Hunter, who describes its operation in *Public Management*. The Disaster Emergency Council was not called upon to function so completely as during the 1933 earthquake. Coördination among the municipal, public utility, Red Cross, and American Legion personnel, however, put man power, equipment, and necessities such as food and blankets "on call" for a far greater emergency than occurred.

Disaster planning for the city and county of Los Angeles originated in 1926. It covers a metropolitan area with three million inhabitants. Ninety-six committees are affiliated in the Disaster Emergency Council, their duties charted specifically for immediate mobilization in any crisis. Berkeley, San Diego, San Francisco, Long Beach, and Pasadena are other California cities with similar plans. Louisville, Kentucky; Memphis, Tennessee; and Binghamton, New York, have drawn up comparable organizations.

*

New York Home Rule Law for Cities Expanded.

—Governor Lehman of New York has signed the bill introduced by State Senator Philip M. Kleinfeld and Assemblyman Ralph Schwartz of Kings County (Brooklyn) amending the state's home rule law for cities so as to permit any city, and not merely those having the commission form of government, to adopt a local law creating a charter

revision commission by petition and referendum. The commission in each case is to be named in the petition or elected or appointed as specified in the petition.

The amendment also requires the separate submission to the electors of any provision of a charter commission proposal applying proportional representation to the election of any officials of a city.

Had the Kleinfeld amendment been passed previous to the 1937 legislative session in New York State, it would have been deemed of great importance. Since that session, however, passed an act giving the voters of any city the power to initiate charter changes,¹ this new amendment to the home rule law of 1923 merely provides an additional orderly and useful procedure for working out an extensive charter revision which could be accomplished under machinery already on the statute books.

*

Council-Manager Plan Developments.

—Lexington, Virginia, (3,752 population) on April 7th adopted the council-manager plan by ordinance.

The legislature of Quebec, on April 8th, gave its approval to the formation of the position of manager for the city of Verdun (25,011).

Governor Lehman of New York has signed a bill permitting certain towns in Westchester County to adopt the manager plan after referendum. The bill is so worded that it applies at present only to the town of Harrison.

Readfield and Freeport, Maine, are studying the manager plan. Bridgton and Fort Kent, Maine, have recently rejected manager charters.

¹See NATIONAL MUNICIPAL REVIEW for June 1937, p. 310.

East Lansing, Michigan, (4,389) will vote on a council-manager charter on June 15th.

As a sequel to the defeat of the council-manager plan on February 12th in Des Moines, Iowa, C. A. Crosser, secretary of the Bureau of Municipal Research in that city, writes: "With the sudden and unexpected 'crack' of a short story climax, the incumbent political machine, including two councilmen who opposed the manager plan, was decisively defeated at the polls on March 28th. Even leaders of the opposition concede that the city manager campaign as well as the block voting by the city manager adherents contributed to this end. The result is that the Des Moines city council now contains four and probably five members who are free from trammels of the former political machine."

*

Sound Basis Needed for Municipal Benefit Systems.—A recent survey by the International City Managers' Association shows that of 819 cities having more than 10,000 population, two-thirds have retirement systems for some portion of their employees and only one-third set up their programs on an actuarial reserve basis. Excluding sixty New York cities which participate in a sound state retirement system, the number of systems on an actuarial basis totals only one-fourth. It was stated that in many cases the systems are financially bankrupt because adequate funds have not been accumulated to pay for the benefits promised.

The survey also indicated that one-third of the systems studied had fewer than fifty participants, and more than half fewer than one hundred, whereas "competent actuaries estimate that death and disability payments cannot be safely supported on less than one hundred members."

A report of the survey will appear in the *1938 Municipal Year Book*.

*

Constitutional Home Rule for New York Cities.—More rigorous restrictions against interference in local problems by the state legislature are embodied in a proposal made by Harold Riegelman, chairman of the committee on cities of the New York State constitutional convention now holding sessions. The proposal would prohibit the legislature from passing any special act relating to the "property, affairs, and government" (which it

defines) of any city without a message from the mayor certifying that an emergency exists, or from the governor declaring an emergency which the local law-making body has failed to rectify after he has requested it to do so. Such special act would require a two-thirds vote if accompanied by a mayor's message, and a three-fourths vote if the governor, rather than the mayor, declares the emergency. The proposal also would empower a city legislature to change or repeal an act of the state legislature, unless the latter specifically prohibits such action.

*

Louisville Makes Municipal Movie.—According to the Municipal Finance Officers' Association, the city of Louisville, Kentucky, has completed a fourteen-hundred-foot, sixteen-millimeter movie entitled "Your City Government" and portraying municipal activities. The picture took approximately nine months to complete, and was made by a commercial photographer; its cost, with the projector and portable screen, was only \$621.60. The film is reported to have had an unusually good reception and to be booked far up into June.

*

Municipal Financing for Low-rent Housing.—Cities seeking funds to finance their portion of the national low-rent housing program are taking a variety of courses. Under the housing act, cities are to contribute 10 per cent of the capital cost and a minimum of 20 per cent of the annual subsidy of any housing project, the federal government supplying the rest.

Five cities—Austin, Texas; Charleston, South Carolina; New Orleans, Louisiana; Syracuse, New York; and Youngstown, Ohio—recently allotted funds in connection with the new locally-managed housing program, offer examples of approved local financing. According to the National Association of Housing Officials, the city government guaranteed the local capital in each of the five. Two of the cities contributed substantial amounts of land toward the local 10 per cent of capital cost. In one city the authority's bonds are to be distributed by a bond house; in another, a local bank has agreed to take the entire block of bonds not sold to the federal government. All local annual contributions will be in the form of tax exemption, subject to a relatively

small service charge. The subsidies average 56 per cent of the federal annual contributions, instead of the 20 per cent minimum required by the act.

While cities in many states need more legal freedom for financing low-rent housing projects, 1938 legislatures have provided for fund-raising in the following ways:

Ohio made local authority bonds legal investments for public and fiduciary funds, state teachers' retirement funds included. New York legalized investment of state, municipal, insurance company, and bank funds in low-rent projects. Another new law, an innovation, permits New York City to levy an occupancy tax of \$1 to \$6 per year on premises used for business or professional purposes, proceeds of which will support local low-rent housing. New York voters next fall will pass on three constitutional amendments authorizing the state to set up a \$200,000,000 revolving fund for housing loans; to permit the pledging of the state's credit for housing; and to exempt city loans for housing purposes from the constitutional debt limit.

With a decision of the Alabama Supreme Court last month, the number of states having housing laws that lack tax exemption provision was reduced to three: Illinois, Massachusetts, and Montana.

*

Merit System Victories and Hopes.—

Following court approval of the Louisville, Kentucky, merit system law, passed in 1937 but held up by legal attacks on its constitutionality, Louisville is now organizing a civil service program covering employees of the health and welfare departments, according to the *Civil Service Assembly News Letter*. A personnel commission for the two departments has named a full-time personnel director.

Enabling acts recently adopted by the Kentucky legislature permit the thirteen second- and third-class cities in Kentucky to create local civil service commissions and boards of trustees for the employees' pension funds. Seven of these cities already have partial or full civil service coverage.

According to the Civil Service Assembly, pending legislation in three states indicates the possibility of substantial gains for the merit system during 1938, despite the fact that few legislatures hold regular sessions this year.

The Rhode Island legislature has been considering civil service provisions for state employees, North Dakota votes on an initiative measure on June 29th, and voters in the state of Washington will pass on an initiated civil service proposal next autumn.

A quiet attempt to defeat the development of the merit system in Arkansas, by transferring the funds of the state personnel division to a tuberculosis sanitarium building fund, was overcome by unanimous vote of the state senate, when wide-spread public opinion was aroused after the plan had slipped through the lower house.

*

Proposals to Modernize Michigan's Financial Administration.—

Recommendations for revision of the financial administration of the state of Michigan were submitted on April 15th to Governor Frank Murphy by the Public Administration Service which had conducted a survey at the governor's request. Designed to provide a centralized check on expenditures and an accurate, detailed budget, the report recommends a unified department of finance, which would take over functions now administered by the state administrative board and the budget director.

The proposed revisions also include provisions for a coördinated accounting system for all state departments. The number of state funds would be reduced from 230 to 78, and the number of ledger accounts from 2,400 to fewer than 600.

Other recommendations suggested in the study include:

Enlargement of the budget department; employment of a technical staff to obtain first-hand knowledge of fiscal plans and needs of departments in order to obtain accurate, controlled estimates; the budget director to have the authority for allotting and transferring state funds.

A single state appropriation act for all departments on the basis of detailed budget estimates.

Elimination of separate bank accounts for state departments; prompt remittance of funds collected by departments to the state treasurer.

Standard financial stationery and records for all departments.

Governor Murphy has announced plans for effecting the revisions which can be done without new legislation at the beginning of the 1938-39 fiscal year.

Training for Police Instructors in Michigan and Colorado.—Michigan police officials took the first step in the development of an extensive police training program in that state, according to the International Association of Chiefs of Police, when some twenty state and local commanding officers met in Ann Arbor recently in a five-day conference to establish such a program under the sponsorship of the state board for vocational education. The next step will be the training of instructors; the instructional costs for these, and three-fourths of their expenses while being trained, will be met by the board. Colorado's first annual law enforcement officers' training school for instructors was held in Denver in February, with thirty-three officers in attendance who were awarded certificates after two weeks of training. They are proceeding to organize zone training schools for law enforcement officers in their districts.

*

First of Forty-Three State Primaries Held.—On April 12th the voters of Illinois participated in unusual number in the first of forty-three state primaries, scheduled for the spring and summer of 1938, which will select candidates for representatives to Congress, nominate senators in thirty-four states, and nominate governors in thirty-three states.

The states differ widely in the use of the primary for nominations, according to the Council of State Governments. Voters in Michigan in September will select candidates for governor and lieutenant governor, while other officials, such as the secretary of state, treasurer, and attorney-general, are nominated by convention. New Yorkers in that month will choose only candidates for legislative seats in the primary; other officeholders, including the governor, are nominated by party conventions. Indiana, which votes in May, restricts the primary to nomination of representatives in Congress, state legislators, and local officers. Arizona and Washington in September will nominate supreme and superior court judges in addition to other officers in the state primaries; Nevada, all judicial officials.

States with the strictly "open primary" include Wisconsin, Montana, Minnesota, and Washington, the last named being unique in putting up a "blanket ballot" on which not

even the candidate's political affiliation is shown. Minnesota provides a nonpartisan primary for the legislative nominations. Nebraska's unicameral legislators are nominated in the same way.

This year marks the thirty-fifth anniversary of the first adoption of the mandatory, complete state primary, in Wisconsin.

*

Michigan Welfare Reorganization Held Up Pending Referendum.—Signatures of a sufficient number of voters have been obtained in Michigan to require a referendum vote at the November election on the question whether act 257 of the 1937 laws, creating a State Department of Public Assistance, shall be sustained or overthrown. This is one of seven acts, numbered 257 to 263 inclusive, which were passed by the legislature in 1937 and approved by the governor, providing for the reorganization of certain state and local public welfare services and agencies. The attorney-general has ruled that these acts should be construed together and that the filing of the referendum petition suspends the operation of all of them. Certain portions had already been put into effect, including relief appropriations and certain amendments to the old-age assistance act.

The arguments for and against these welfare reorganization acts, according to a memorandum presented to the Council of Social Agencies of Metropolitan Detroit by Arthur Dunham of the Institute of Public and Social Administration, University of Michigan, have centered chiefly on the provisions for the abolition of certain local public welfare agencies and the establishment of county departments of public welfare.

*

Status of Interstate Compacts Strengthened.—A decision of the United States Supreme Court on April 25th, to the effect that an interstate compact between Colorado and New Mexico for apportioning the water of the La Plata River had priority over previous Colorado court decrees, is expected to reinforce the position of such compacts and possibly further their use as a means of dealing with regional problems.

*

Federal Reorganization Bill Defeated.—After an amazing campaign of distortion and hypocrisy, as well as expressions of sincere

and rational differences of opinion, the paradoxically stigmatized "dictatorship" bill to facilitate reorganization and simplification of the national executive department, and to increase its efficiency as an arm of democratic government, was defeated in the House of Representatives by a narrow margin last month.

*

National Governmental Organizations Move to New Headquarters.—The sixteen national organizations specializing in improvement in governmental technique in various fields, with recent headquarters at 850 East 58th Street, Chicago, Illinois, late in April occupied their new joint headquarters, a handsome structure just completed at 1313 East 60th Street, near the University of Chicago. These organizations include: American Municipal Association, American Public Welfare Association, American Public Works Association, American Society of Planning Officials, Civil Service Assembly of the United States and Canada, Council of State Governments, Federation of Tax Administrators, Governmental Research Association, International Association of Chiefs of Police, International City Managers' Association, Municipal Finance Officers' Association, National Association of Assessing Officers, National Association of Housing Officials, National Association of State Auditors, Comptrollers and Treasurers, Public Administration Clearing House, Public Administration Service.

*

Southern California's Tenth Annual Institute of Government.—The University of Southern California will hold its annual Institute of Government during the week of June 13th on the campus at Los Angeles. The program promises to be the most varied and inclusive in the ten years of the institute's history. It will include two general assemblies each day and over thirty specialized sections. The morning assembly topic will be "Principles of Government"; that in the afternoon will be "Man Power in Government."

*

Housing Surveys Authorized by WPA.—With approval of housing surveys as projects of the Works Progress Administration, cities have gained a valuable aid in their preparation for slum clearance and low-rent housing programs, according to the National Associa-

tion of Housing Officials. Five conditions must be met in order to secure WPA aid with exemption to the "no-canvass" rule applying to most WPA projects. To qualify, a housing survey must be of undoubted public usefulness, must be very specific in form, must be competently supervised, must be supported by local public opinion, and should be endorsed by other official agencies which might make use of the results such as the public works, building, health, and fire departments and the local planning agency.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

New County Legislation in Kentucky.—

The extraordinary session of the general assembly, which adjourned April 9th, enacted two laws which materially affect county government. The first was an act making provision for an orderly handling of the county debt problem to be administered with the aid of a local finance officer, subject, in respect of broad matters of policy, to the approval of an ex officio board composed of the principal state officials. This bill also provided for several material improvements in the uniform budget and accounting provisions of the law. The philosophy underlying the legislation contemplated maintenance of local autonomy, but making available adequate technical assistance through the State Department of Revenue in conjunction with which the budgets are now handled, and the local finance officer will in general function. This measure appropriates a revolving fund of half a million dollars for the purpose of facilitating re-financing, but with a view to spending outright none of the funds appropriated.

Possibly an equally important measure was one providing for local tax collection. The statutes in Kentucky governing the administration of local tax collections were rather completely butchered by amendments passed during the depression. The consequence was considerable confusion resulting in almost complete paralysis of the collection enforcement machinery in certain particular respects. This new act undertakes to unify the old provisions rather than to enact an entirely new tax collection statute. It is not as thorough-

going, therefore, in its application as could have been desired, but it does reconcile the inconsistent provisions of the old acts and provide in numerous respects for improved procedure. For example, the period of redemption is reduced from five years to three years; and a consistent plan for handling land sales, so that some of them may be legal and so that the commonwealth is adequately protected in the event they are irregular, has been set up to replace statutory provisions which did neither of these things.

A third act which will have certain local government implications is one governing tax administration procedure in general, but having as its primary purpose unification of the procedures under which the Department of Revenue operates. It is believed that this measure will render possible considerable simplification in the record-keeping incident to tax administration, preparation of tax bills, and collection of taxes. This matter, however, has not yet been thoroughly canvassed, and no change will be effected in these matters during the next fiscal year beginning July 1, 1938.

JAMES W. MARTIN

Commissioner of Revenue, Kentucky

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Recent Legislation in Virginia.—In recent session the General Assembly passed several acts general in form but of local application. For instance, Henrico County is singled out for special treatment by an act which provides that no county of "four or more magisterial districts adjoining a city of 180,000 population shall . . ."; Chesterfield County receives special attention by a similarly worded act; and Newport News' territorial aspiration is effectively thwarted by an act which provides that no portion of a county of sixty square miles shall be annexed to any city unless the whole county is annexed. The Virginia constitution and a state supreme court decision are responsible for such beating around the bush. The constitution provides twenty cases in which special and local acts shall not be enacted, that in these cases only general acts shall apply, and any subsequent amendment to a general law of this kind shall not have the effect of enacting a local or special act. In *Smith v. Board of Supervisors of Scott County*, 165 S. E. 526 (1932), the Supreme Court of Appeals enforced this

provision and held invalid an act that amended a general law in a way that had the effect of a special or local law. In other words, a general statute can only be amended in a general way.

One of those local acts, just mentioned, authorizes the Chesterfield County Board of Supervisors to employ an executive secretary who will prepare the budget, audit all claims against the county, purchase supplies, do the clerical work, and keep the county board well posted on county affairs. From this it is seen that the executive secretary will be similar to the county executive provided in the optional forms of county government law. In effect Chesterfield gets a new form of county government, and that too without a popular vote. Subsequent to this, the Chesterfield Board of Supervisors adopted a resolution that "when and if an executive secretary be appointed he should be named by the majority of the supervisors, that his maximum salary should be three thousand dollars, and that he should be a Chesterfield County man." Action on the secretary, however, is not likely until after the election that has been called for May 12th when the people will vote on two questions: first, whether the county government form should be changed, and second, if the change is to be made whether the county manager or county executive form should be adopted. Things are again shaping in Chesterfield for a repetition of the political controversy that got so warm and bitter last fall. One thing, however, should be mentioned, the General Assembly (1938) provided a respite of three years between political battles of this kind.

Another local act passed by the General Assembly denies the voters of Henrico County the privilege of electing their supervisors from the county at large. The present scheme in Henrico of having one member from each district on a board elected from the county at large has not been satisfactory to the organization Democrats. They claimed that it is not democratic because the scheme denies a district the privilege of choosing its representatives on the county board. On the other hand the action of the General Assembly is a bit arbitrary, and is "a definite negation of democracy."

All of these local acts were bad. The General Assembly also by its inaction dealt

a blow to the progress of reform in Virginia county government. In a mood of economy, but every one knows better than that, the legislature, for the second time, dropped the small item for carrying on the work of the County Government Commission. This commission which has done worthy service for the commonwealth is now disbanding. Professor Spicer, its chairman, resigned several weeks ago. The recent session of the General Assembly leaves little doubt, as Dr. Fox pointed out in an address before the Virginia Social Service Association last year, that the Democratic organization must shoulder much of the responsibility for the slow progress of structural reform in Virginia county government. One may wonder why the party sanctioned the initial steps taken in 1932 when the County Government Commission was created.

JAMES E. PATE

College of William and Mary

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City-County Reorganization in Cleveland and Cuyahoga County Proposed.—City-county reorganization is still a live issue in Cleveland and Cuyahoga County. The City-County Reorganization Committee of the Cleveland Citizens League, an unofficial group, has been meeting weekly during the past winter to discuss the difficult political and legal problems involved, according to the April 14th issue of *Greater Cleveland*, organ of the Citizens League. The committee is composed of representatives from all groups and sections in the county and includes lawyers, business men, experienced public officials, and representatives of labor and civic organizations.

After extended study the committee has recommended that a home rule charter for the "city and county" of Cleveland be drafted, to provide: (1) for the manager plan of government with a council of fifteen elected from the county at large by proportional representation for a two-year term, eight to be elected in one year, and seven the next; (2) for the unification of the administration of all existing municipalities and townships (school districts not included) with the county as one central government; (3) the people of any area containing at least two thousand population and two square miles of area may by petition and majority vote within the area establish itself as a borough and exercise

the local powers and functions given under the charter to such units. The plan of organization for such boroughs calls for an unpaid borough board of seven members, elected at large by proportional representation, with authority to appoint a superintendent to administer borough functions under the supervision of the board in the same manner as the county manager would direct the county administration under the supervision of the council.

Recommendations have also been made concerning the functions which shall be considered as belonging to the city-county government and those which shall belong to the local units of government. Since the proposed new charter will contain provision for "municipal functions," it will be necessary to obtain a four-way majority for its adoption, i.e., a majority of the votes cast in the county, a majority in the largest city (Cleveland), a majority in the county outside the largest city, and a majority within each of a majority of all the municipalities and townships of which there are sixty.

All recommendations of the committee are tentative and unofficial. The actual drafting of an official document will require the election of a charter commission by a majority vote at a regular election.

*

County Employees Unionize in Wisconsin.—The upsurge of unionization in private industry has its counterpart in public employment. Out of a total membership of approximately 6,000 in Wisconsin, the American Federation of State, County, and Municipal Employees, affiliated with the American Federation of Labor, claims the following membership among county employees: Milwaukee approximately 1,000, Kenosha 95, Racine 93, and Ozaukee, including the city of Port Washington, 33. Other locals are found in Rock, Monroe, and Dane Counties. Most of these figures represent highway and county institution employees.

County labor has not escaped dualism. The nine-months-old State, County, and Municipal Workers of America, affiliated with the Committee for Industrial Organization, has a local

¹Decision of Ohio Supreme Court in the case of *State ex rel. Howland vs. Krause*, 130 O. S. 455. See NATIONAL MUNICIPAL REVIEW for March 1936, p. 189.

of 82 highway workers in LaCrosse County and another of undetermined strength in Milwaukee County. The Madison local is expected to begin organization in Dane County soon. Where there is no merit system, this CIO union hopes to achieve similar standards through formal contracts or agreements.¹

"Company unions" have also appeared in a few instances. The application of the Rock County Highway Employees Union for listing with the state labor board as an independent organization was denied because the union was dominated by the supervisory officials. Because of such experiences as this and one instance in which city employees unionized on Saturday were dismissed by "coincidence" on the following Monday, an attempt will be made to amend the state labor relations law so as to extend the power of the state labor board to public employees.

ELDON L. JOHNSON

University of Wisconsin

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Virginia Provides for County Zoning.—

The Virginia General Assembly has enacted a law which enables the boards of supervisors of the counties of the state to adopt and enforce zoning regulations, according to a recent news letter of the American Society of Planning Officials. The powers granted in the act may be exercised by a county only after the appointment of a county planning commission authorized by an act of 1936, this commission being designated to serve as a zoning commission. The establishment, composition, and specific powers of the board of appeals is discretionary. Further authority is given to appoint a zoning enforcing officer.

TAXATION AND FINANCE

Edited by Wade S. Smith

The Lucas County (Toledo) Reappraisal.

—In preparing to make the 1937 sexennial assessment for Lucas County (Toledo, Ohio) the county auditor's office made a study based on sales, rents, leases, and income which showed the general level of real estate assessment in Lucas County to be around 78 per cent. It showed great disparity in assessment

ratios, the range being from 3 per cent of true value to 1030 per cent. The law provides true value assessment, there is no problem of state levies on the local duplicate and, since sales tax distributions for the local government fund in which city, county, township, and village participate are based on the tax duplicate, it seemed clearly indicated that the assessment level should be brought to true value and not merely equalized at the old level.

The law of Ohio makes the county auditor the assessor of real property and provides for its assessment at "true value in money" in every sixth year following 1925. True value in money has been interpreted by our courts to be the value arrived at in that most hypothetical of supposititious situations where "a willing buyer not compelled to buy, buys from a willing seller not compelled to sell." This apparently means in a mass appraisal that so far as improvements are concerned reproduction cost less depreciation and obsolescence shall be the true value in money, unless the income factor or a recent sale of a willing buyer—willing seller type indicates a lower value.

In making preparation for this appraisal J. L. Jacobs of Chicago was retained as chief consultant on assessment techniques and special supervisor of operations. He was aided by H. O. Walther on land valuation and David H. Kinnett on building valuations. The aid of the Works Progress Administration was enlisted through local Works Progress Administration authorities and after consultation with the coördinating committee of the Works Progress Administration in Washington for the furnishing of clerical help, draftsmen, and field work helpers. An appropriation of \$60,000 was secured from the county commissioners, which appropriation was enlarged to \$225,000 later. The original Works Progress Administration project with supplements amounted to about \$240,000 by completion of the appraisal proper.

Local engineers were hired to help in building up building-cost figures and depreciation tables on the basis of Toledo costs. Local cost men were retained to furnish Toledo costs, local real estate men to give opinions on land values in the districts, and members of the Real Estate Board to fix downtown land values. Meetings of farmers were called in the rural areas to pick representative land-

¹All information is from the national offices and local representatives of the two unions named.

owning farmers and these men, together with a man especially picked by the auditor, were appointed deputy auditors to appraise farm lands. Local men were hired to act as field captains of crews of three, made up of themselves and two WPA men, to measure all the buildings in the county. The captain was in charge and did the entire recording for the property record card while the WPA men measured the building outside. Essentially the same treatment with variation required for differences in size and type of property was applied to larger commercial and industrial properties.

After this data had been secured and turned in, a selected group of men standing highest in the preliminary work classified the buildings in one of the fifty-two classes. When this preliminary work on both buildings and land had been completed, it was simply a matter of figuring front foot values with allowance for corner and alley influence in the case of land and computing the cubical contents of the building; then multiplying by the base price for the class and depreciating for the number of years of age and further for any specific condition of obsolescence.

According to the figures Lucas County shows an increase of approximately 25 per cent over the year 1936 for both land and buildings. In comparison with the year 1931 the 1937 tax shows an increase of approximately 2 per cent and in comparison with the year 1929 the 1937 tax shows a decrease of 12 per cent. Comparing the land valuations of 1937 with 1936 we find a 15 per cent increase but in comparison with 1931 we find a decrease of 15 per cent and with 1929 a decrease amounting to 29 per cent. Comparing the building valuation of 1937 with 1936 we find an increase of approximately 30 per cent, and comparison with 1931 shows an increase of 12 per cent and 1929 a decrease of 1 per cent. A comparison of the 1936 total tax with that for 1937 shows an increase in farm and village land of 6 per cent, city land 26 per cent, farm and village buildings 12 per cent, city buildings 56 per cent.

It was decided to study and make a sample check of the valuation of certain tangible personal property, i.e., machinery and equipment of industrial concerns, which under Ohio law is valued at 50 per cent of its book value. The law provides that the book value when

not at true value may be examined and physically valued at its true value. The State Tax Commission accordingly designated the auditor of Lucas County as its agent to make this investigation. The investigation showed that the book value method of valuing this tangible personal property has a very low ratio of correspondence to actual physical value as determined by the work so far. On the basis of appraisals made it is indicated that true value would be increased more than 300 per cent above present declared values. The State Tax Commission has accordingly cited one large oil refinery company to show cause why its valuation of tangible personal property should not be increased from \$40,000 roughly to over \$800,000. This is by no means the worst case of low return in proportion to actual value.

Valuations for the city were announced on New Year's Day and for the townships and villages on January 28, 1938.

The auditor's office is now receiving complaints on these valuations and proceeding by informal hearings to make corrections and adjustments where indicated. The board of revision, consisting of the auditor, treasurer, and chairman of the Board of County Commissioners will start its work on March 1st and continue receiving complaints till the end of the first tax collection. Hearings on complaints filed before that time may be held any time up to ninety days after complaints have been lodged and this would indicate that hearings will continue until about July 15th.

The recession has been responsible, in a large measure, for a considerable volume of complaints on the valuation level, although the Real Estate Board, acting for larger interests which prefer to remain in the background, has probably excited more complaints than the recession has justified. The method of attack, however, has been technical and the emphasis has been on scattered cases and no attack has been sustained so far as the method or the purposes behind it are concerned. The increase in valuation, including utility properties which are assessed by the Tax Commission, new buildings and special parcels, including partially exempt properties, has been about 16 per cent or over \$90,000,000. This represents a recovery of about half the tax valuation lost since 1929. The tax rate

in consequence has gone down till it is at \$19.00 per thousand, the lowest of any large city in Ohio and one of the very lowest in the country, if not actually the lowest among cities of its class.

HALE T. SHENEFIELD

Auditor, Lucas County, Ohio

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Municipal Bankruptcy Act Upheld.—

The United States Supreme Court on April 25th, in its decision of a case involving the Lindsay-Strathmore irrigation district in California, upheld the municipal bankruptcy act of 1937, which was passed by Congress in revised form after the original act of 1934 had been held unconstitutional.

The distinguishing fact that makes the 1937 act constitutional, according to the opinion, is that state consent is now required to make possible the composition by bankruptcy proceedings of the debts of political subdivisions.

It is estimated that two thousand cities, towns, and school districts—mostly small or sparsely settled—plus an additional one thousand or so special irrigation and reclamation districts had defaulted on their securities.

The court's decision makes bankruptcy proceedings available as a means of relief to the most badly distressed municipalities and to consenting creditors; and this possibility may also be expected to aid in arranging voluntary settlements.

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Law to Tax Governmental Bond Income Proposed.—

Although the 1938 revenue act has now been approved in conference committee without change in the long standing tax exemption of interest from federal, state, and municipal securities, President Roosevelt in a recent message to Congress urged enactment of legislation to permit such taxation both by the states and by the federal government. His proposal also covered the taxation of salaries of all government employees. Fuller discussion of the proposal will be made next month.

In the meantime, it is pertinent to observe that opinions on the taxation of income derived from government bonds differs widely. Many authorities hold to the view that taxation of government bonds, and particularly municipal bonds, will adversely affect municipal governmental borrowing operations. They foresee increases in the cost of borrow-

ing, i.e., a rise in bond coupon rates, to offset the loss of the exemption feature which has made this type of obligation popular with many investors. They fear lack of interest in governmental securities, less competition for new bonds, and subsequent increase of costs.

Some authorities, on the other hand, pertinently comment that the bulk of governmental bonds are now bought and held by investors to whom security of principal is of primary importance, with yield a secondary consideration. Such investors, they hold, will continue to find, even in government bonds lacking the tax exemption attraction, a comparatively safe spot for their money.

PLANNING

INCLUDING ZONING

Edited by

Alfred Bettman and Walter Blucher

FHA Appoints Regional Planning Consultants.—

The Federal Housing Administration understands that, for the protection of investments in housing and other land uses, the technique of planning, including zoning, is essential. It therefore is building up facilities for a systematic encouragement of and help in the use of these techniques in the location and protection of housing and other projects. For instance, the administration has placed land planning consultants in five zones throughout the United States, with headquarters in New York City, Atlanta, Chicago, St. Louis, and Los Angeles.

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Water Resources Committee Makes Report.—

The National Resources Committee has published the report of its Water Resources Committee on a program of projects for the utilization, conservation, and development of the waters of the forty-five drainage basins in the United States. The estimated cost of these projects is \$891,091,000 of which \$47,000,000 is for further research and investigation. This report is the basis of a program which President Roosevelt has sent to Congress. The report includes not only the list of projects, but also a textual analysis of the water and allied land problems of each of the basins.

The method used in the production of this

report is an interesting example of a national and regional planning technique. The executive leadership in the organization of the work came from the National Resources Committee, that is, from Washington. Then through the instrumentality of the regional offices of the National Resources Committee, forty-five drainage basin committees were organized. The personnel of these committees included representatives of state and federal administrative departments particularly related to water problems and representatives of the state planning boards. Each drainage basin committee produced a report which included a description of the water problems of the basin and a list of projects rated according to existing projects and degree of importance. These reports of the basin committees were then analyzed and reviewed by the central Water Resources Committee, with the assistance of the knowledge which it had accumulated and the services of its technicians.

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Municipal Planning Needed.—At the time of the depression of 1930-32 there were about 1200 municipal planning commissions in this country. Some of them were very active in comprehensive city planning and were having a substantial influence upon the development of their respective municipalities. Some were active on specific functional projects, such as parks or zoning, but not upon what can properly be called comprehensive city planning. A large number were inactive, and many were only on paper.

Naturally the financial condition of the municipalities reduced this activity. Many of the commissions disappeared, others were reduced to skeletons, and in only a few cities, where the commissions had strong roots, did the old degree of activity continue.

In the field of state planning there arose the discussion of whether the technique which we call comprehensive or master planning was applicable, and this produced some question as to whether master planning was feasible in the municipalities. This question may have had some part in the decline of activity in municipal planning.

Happily there are signs of a reaction against these questions and skepticisms, and local planning is beginning to regain its previous momentum and prestige. For instance, the cities of Madison, Wisconsin, and Charleston,

West Virginia, have now entered upon the making of comprehensive master plans. Many students of planning have long emphasized that unless a zoning ordinance, for instance, be the product of comprehensive planning studies, it is apt to be superficial and lacking in integrity and strength. That this viewpoint is coming to be generally accepted is evidenced by the newer forms of legislation, which no longer place the making of the zone plan in a separate zoning commission but in the planning commission where it logically belongs.

The degree to which our cities, in their need for and willingness to receive federal and state financial aid, have surrendered their control over their own development and policies, has been a source of anxiety to all of us who understand how greatly this local initiative and control are necessary for the welfare of the urban inhabitants of this country. City planning, that is, the use of comprehensive planning methods in the solution of problems relating to the development of the city, furnishes a counteracting force, one which tends to increase the part which local initiative and local thought will play in the determination of local policies and programs.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

P. R. Proposed for the New York Legislature.—In connection with the constitutional convention which convened at Albany on April 5th there is a growing demand for the application of proportional representation to the elections of the state legislature. The plan is being advanced first as the only automatic and fair solution of the state reapportionment question which has gone unanswered in New York since the census of 1920, and second as the only means of securing a healthy degree of representation for minority opinion in all parts of the state.

The successful use of P. R. for city council elections in New York City from districts larger in population than would be required for legislative P. R. elections in the rest of the state has proved the plan to be practicable if it is desired. And the probability that the convention will submit a number of

separate questions instead of a single document lends substance to the hope that a P. R. question may be submitted separately, as it was in New York City, if the public demand for it becomes sufficiently impressive.

Already the principle of P. R. for the legislature has been endorsed by the conservative Merchants Association, the Men's and Women's City Clubs, the Citizens Union, the Young Men's Board of Trade, and the City Fusion party in New York City and by the American Labor and Socialist parties in the state. Influential support within the ranks of the two major parties is developing.

On April 23rd a conference of delegates from civic organizations and political science faculties in many parts of the state, held in Schenectady under the auspices of the New York State Committee of the National Municipal League to formulate a program of fundamental recommendations for constitutional revision, approved P. R. for the legislature by a nearly unanimous vote.

Chapter IV of Volume VII of the report of the New York State Constitutional Convention Committee, appointed by Governor Lehman to collate factual data for the use of the delegates to the convention, is devoted to a discussion of "Proportional Representation for the State Legislature." It contains

specific suggestions as to how the plan might be applied and arguments for and against it prepared by proponents of the two sides.

A DISTRICTING FOR P. R.

For a unicameral legislature, which the Schenectady conference and most of the organizations referred to above have recommended, or for a state senate, the report suggests P. R. might be applied with a fixed uniform quota of 60,000 votes and districts identical with the present judicial districts outside New York City (except for a special Long Island district consisting of Nassau and Suffolk Counties) and identical with the boroughs inside New York City. This would result, on the basis of last fall's Assembly election, in a body of sixty-four members, thirty-one from New York City and thirty-three from the rest of the state. Except for the isolated Staten Island district, which would be entitled to only one member, these districts would elect from three to eleven members each. Each district except Staten Island would elect representatives of at least the two major parties on the basis of last fall's vote, whereas at present large areas are solidly Democratic or Republican.

The report contrasts in the following table the results of this plan applied to the last assembly vote and the results actually secured:

Party	NEW YORK ASSEMBLY ELECTION, 1937		NEW YORK CITY		Members by P. R.
	Votes Cast		Assembleymen Elected		
Democratic	962,013 (49.6%)		50 (80.6%) ^b		16 ^a (51.6%)
Republican	520,099 (26.8%)		6 (9.7%) ^b		9 ^a (29%)
American Labor	338,078 (17.4%)		6 (9.7%) ^b		5 ^a (16.1%)
Others	117,958 (6.2%)		0 ^b		1 ^a (3.2%)
Total	1,937,788		62		31
		OUTSIDE NEW YORK CITY			
Democratic	821,223 (38.9%)		11 (12.5%)		13 ^c (39.4%)
Republican	1,250,101 (59.3%)		77 (87.5%)		20 ^c (60.6%)
American Labor	25,596 (1.2%)		0		0
Others	12,128 (.6%)		0		0
Total	2,109,048		88		33

^aIf Queens cast 805 more votes (which it exceeded in the council election) and so elected a sixth member, the city results would be: Democrats 16 (50 per cent), Republicans 9 (28.1 per cent), American Labor 6 (18.8 per cent), others (City Fusion) 1 (3.1 per cent). This would give the Democrats exactly half the city delegation, which is exactly what they did get in the P. R. election of the New York City council.

^bThis table credits each candidate elected to the party which gave him most votes. The Republican and Labor parties combined in several New York City districts, the Democrats and Labor in one, and in several the City Fusion party supplied essential votes to Republicans and Labor. Only five of the assemblymen (8.1 per cent of the New York City members) are listed officially as Labor party members and 7 (11.3 per cent) are listed as Republicans.

^cIf the twelfth district cast 145 more votes and elected a fifth member the Democrats would still have thirteen (38.2 per cent of the total thirty-four) and the Republicans would have twenty-one (61.8 per cent).

A CURE FOR MINORITY RULE

It will be noticed that the two parties polled in the state as a whole almost identical totals of votes—1,783,236 Democratic, 1,770,200 Republican—yet the Republicans elected eighty-three assemblymen to the Democrats' sixty-one. In the Senate, on the other hand, there is a substantial Democratic majority. Under the suggested application of P. R. each major party would have elected twenty-nine members and there would have been five Labor members and one City Fusionist in addition.

Discussing the problems of government which such a situation might present, the affirmative argument in the report says:

PROBLEMS OF GOVERNMENT

"Some object to the use of P. R. for state elections because of a fear that it may result in no party having a working majority. This is a distinct possibility, as the tables above show, though the experience of the Irish Free State shows that it is by no means inevitable under the best form of P. R. If such a situation arose, as it often has even in places which do not use P. R., it would only be because no one party had the real confidence of a majority of the voters, for P. R. gives majorities as well as minorities approximately their fair share. In such a situation P. R. would simply prevent any minority from having a fictitious majority of the Legislature.

"Such a development would, however, require some readjustment of legislative practice. In the choice of a speaker, for example, two or more groups would have to agree on a compromise choice in order to give him a clear majority. If this could not be done by direct negotiation, it could be done by a preferential vote of all the members. Legislative leadership could be supplied by a small legislative council elected by the members by P. R. so as to represent the different groups in the right proportions, as recommended in the Model State Constitution of the National Municipal League. There should be no great trouble in acting on particular measures, for each one would be adopted or rejected by a majority, though it might be a different majority in each case."

The report also discusses pro and con objections based on complexity, delay, cost, territorial representation, chance, racial and

religious block voting, and the contact between members and constituents.

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The Campaign Is On in St. Louis.—

St. Louis, Missouri, will elect its Board of Aldermen by proportional representation and its mayor by the type of preferential vote which Judge Seabury advocated for New York *if* an initiative movement now in progress succeeds.

Collection of the forty thousand names required to initiate a charter amendment started in the middle of April and it is hoped that all hurdles will be overcome in time to submit the charter amendment to St. Louisians in the November general election.

The movement for P. R. started in the Teachers' Union ("democracy in education and education for democracy") and proximate spade work was done largely by Dr. Paul W. Preisler, international vice-president of the American Federation of Teachers. Dr. Preisler is on the staff of Washington University.

The essential features of the charter amendment are: (a) every two years beginning April, 1939, fourteen aldermen will be elected for a four-year term by a P. R. election modelled along the Toledo plan; (b) the mayor, comptroller, and president of the board of aldermen will be elected by a preferential vote for four-year terms.

At present St. Louis has a mayor-council set-up with an aldermanic body of twenty-eight members one-half of whom are elected by the block method for a four-year term every two years. They are presided over by a president of the board of aldermen elected by the people for a four-year term. Since the present charter went into force in 1915 St. Louis usually has had an aldermanic body entirely made up of either Republicans or Democrats.

A general dissatisfaction with the method of electing the aldermanic body and the probable support of the *Star-Times* and the *Post-Dispatch* give considerable hope of the passage of the amendments.

In 1916 a small group of St. Louisians attempted to change the method of electing the aldermen to the list system of proportional representation. This was beaten, partly because P. R. was little known at the time, partly because the unfairness of the St. Louis

method had not yet been recognized, and partly because the significance of the election was lost sight of in the intense Wilson-Hughes presidential election which occurred at the same time. However, it made a creditable showing.

The proposed amendment is realistic rather than one that would meet the ideal hopes of its advocates. It retains the present lame-duck half of the aldermanic body with its overlapping terms; it is not accompanied by a city manager proposal. It is recognized that P. R. under such circumstances stands a chance of being discredited in the eyes of those who fail to recognize its full import. But it is the hope of the sponsors of the movement that it will pave the way for a smaller council elected all at once by P. R. and ultimately for all the provisions of the model city charter.

EDWARD DOWLING, S.J.

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Prospects Good in Illinois.—The results of the primary election of April 12th were encouraging to most city manager—P. R. proponents in Chicago, principally because the victors were foremost in endorsing city manager enabling legislation. Some adherents have doubts as to just what the election figures portend for the city manager movement in the future. The main event of this election was the contest between the Kelly-Nash machine and the Horner-Courtney-Jarecki faction for the Democratic nomination for judge of the county court, and the control which it affords over the election machinery in Cook County. Since Judge Jarecki was successful in being renominated, most of the local politicians are predicting a heated mayoralty primary next year between District Attorney Courtney and the present incumbent, Edward J. Kelly, but no one can predict what part the city manager plan will have in that contest.

Early in the past campaign, the leaders of the Horner organization declared themselves in favor of the passage of enabling legislation for the city manager plan, such as that which was sponsored by civic organizations in the last session of the general assembly, which included optional P. R. Just prior to the election, however, there was somewhat of a scramble on the part of most candidates for the general assembly to endorse the city man-

ager bills. As a result a great many of the Kelly-Nash legislators who were responsible for the defeat of this legislation in the last session have now endorsed it. These bills require a vote of the people in any city desiring to adopt the city manager form of municipal government, and the issue on them has been very positively fixed by city manager proponents to the effect that to oppose this legislation is to oppose the principle that the people of any city should have the right to choose their own form of local government. Candidates invariably favor that principle in a campaign.

The one dark spot in the city manager movement has been the attitude of the Chicago Federation of Labor towards the plan. The federation has gone on record as opposed to the movement in a report which many responsible labor leaders feel does not display the attitude of labor in Chicago toward better government. The *Chicago Federation News*, the publication of the federation, has been conducting a series of radio talks in opposition to the plan over WCFL, the federation radio station. The medium for these radio talks is former Municipal Court Judge John H. Lyle, who was once a candidate for the Republican nomination for mayor against William Hale Thompson. Some city manager proponents consider it an asset to the movement to have Judge Lyle against the plan, but the majority regard the whole affair as unfortunate. While it is incomprehensible to most proponents how the Federation of Labor can tolerate the use of its radio station and the *Federation News* for the many misstatements and false statements issued by Judge Lyle, there is some evidence that such action is having an opposite effect from that intended. Labor groups are beginning to endorse the plan, and proponents feel that the endorsement of labor in general will be gained as soon as all the facts can be presented to it.

The campaign for the city manager plan and proportional representation in Chicago is in general looking very bright. The Chicago City Manager Committee has begun an intensive fund-raising campaign for a goal of a quarter of a million dollars. While the actual money-collecting has hardly begun, the preliminary organization work is progressing at such a rapid and successful rate that the achievement of the goal seems assured.

For the last six months, the City Manager Committee has had a full-time executive secretary, Mr. Roger Dunn, and as a result its work has increased even more than could be ordinarily expected from the establishment of that position. The committee now has three or four full-time district workers and is doing effective work in every field. The activity of other organizations interested in the city manager movement has also progressed rapidly during the past year. The League of Women Voters is placing more emphasis on the plan, as are many other organizations. The Illinois Council Manager Conference, which is looked upon as the policy-forming body for the movement because of its membership of delegates of the leading civic organizations of the city, is meeting regularly and working effectively.

The City Manager Committee of the City Club, which has concentrated its efforts on legislation and research during the past four years, has just released a new and comprehensive report on the city manager plan and proportional representation, *The City Manager Plan—The Way to Better Government*.

It has been disappointing to members of the City Club's City Manager Committee that proportional representation has not been given a position of more prominence in the campaign, even though the trend is definitely towards more emphasis on it. While the majority of the Chicago papers are sympathetic toward the city manager plan, none of them considers proportional representation with enthusiasm. The hesitancy of the larger papers in taking up proportional representation may be due to the way their foreign correspondents confuse the election systems of Europe with the Hare system. While there is no dominating support for P. R. as yet, there is also no strong opposition. Even the spoils politicians have paid little attention to it.

City manager organizations are now urging Governor Horner to include city manager legislation in his call for a special session of the general assembly which he is expected to issue before this note appears in print. If he does include it, there will be a possibility of Chicago operating under the plan by the end of 1939.

ROBERT E. GARRIGAN

Chicago City Club

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

Baltimore Commission on Governmental Efficiency and Economy.—The work upon which this commission's full-time staff was engaged during 1937 is indicated by the following list of subjects. To avoid details and save space, these are necessarily in summarized form.

This list does not include the subjects of numerous conferences and consultations with civic groups and others, nor the subjects of miscellaneous requests for data, etc., answered by the staff, such requests averaging about eighteen a month. Subjects to which only tentative consideration was given are omitted also.

- Collected and compiled data on sharing of state motor vehicle revenues with cities;
- Studied trends of state gasoline taxes and effect of diversion on the city;
- Followed and analyzed effect on city of various bills before legislature;
- Studied budget forms and budget practices of various states;
- Studied state accounting system and fiscal reporting and made informal recommendations;
- Analyzed city welfare relief costs and the proposed financial requirements;
- Studied Maryland state budget proposals, pension proposal, and financial plan;
- Collected data bearing on the state's plan to construct an office building;
- Studied effects of state fiscal policy on city and county taxpayers; analyzed the effect of unequal assessment basis, the cost of revenue shared by the state, the cost to the city of the \$12,000,000 bond issue for relief, the sharing of gasoline taxes and funds collected for education, and the state public improvement bond issue;
- Outlined an immediate and a long-range program for reorganization of and improvements in the state government;
- Coöperated in survey of the administrative organization and business practices in the Emergency Charity Association;
- Studied municipal institutional purchasing in Baltimore, followed up results, examined

- practices elsewhere, studied informal bid procedure, and distribution method of purchasing;
- Studied administrative organization of city government, exploring certain weaknesses and looking towards establishing, by charter provisions, certain systems already installed and to be recommended;
- Collected and compiled data on municipal appropriations for the support of art museums;
- Recommended to state the adoption of the bid-the-rate method for selling bonds;
- Followed up the bid-the-rate recommendation made to the city in 1935 with special supplemental memorandum of additional and supporting data;
- Surveyed municipal recreation policies;
- Compiled and issued annual *Statement of Pertinent Financial Data, City of Baltimore*;
- Made special study to develop the cost to the city and the benefits to be derived from the proposed state bond issue for various public improvements throughout the state;
- Studied and compiled tables showing interest and penalties paid by delinquent taxpayers and effect of tax payments on current financial requirements including temporary borrowings;
- Studied the trend and cost of government, the revenue problem, and the present procedure in budget-making and fixing the city tax rate;
- Coöperated with the official committee studying our recommendations for a system of city planning with particular regard to the application of the proposed commission's authority in dealing with other agencies of the city government, amplifying recommendations previously issued;
- Studied and prepared various analyses of the budget problem for 1938 and surveyed revenue prospects;
- Studied refuse collection field practices and results in Baltimore and elsewhere; prepared questions to explore the proposal to abandon the contract system;
- Compiled and revised data regarding bond sales and cost to city of Baltimore since 1919;
- Continued study of city payroll and personnel system; prepared annual compilation of classified positions and salaries;
- Studied delinquent taxes, their occurrence, and analysis of payment experience;
- Followed up report on permanent registration and voting machines, investigating results elsewhere and conferring with local officials and groups both in Baltimore and other cities; examined specifications and contract forms for voting machines elsewhere and coöperated in discussion of specifications and contract for Baltimore;
- Studied operations of municipal real estate departments elsewhere;
- Followed up report on asphalt repairs;
- Examined city market revenue and expense;
- Studied city's daily bank balances and practice in transferring funds from city collector to city register.
- An appreciable amount of time was also devoted to routine follow-up work, to analyzing monthly reports of the city and state, revising basic data files, and compiling miscellaneous statistical studies.
- Twenty-six reports, memoranda, bulletins, or special communications were issued during the year, and a number of miscellaneous informal presentations were made.
- D. BENTON BISER, *Director*
- *
- Bureau of Municipal Research of Des Moines.**—The bureau's record during the past year is one of the best in its career with respect to rendering direct and tangible savings to its subscribers and incidentally to all citizens.
1. *The 1937 Assessment.* By its disclosures regarding the "district discounts" granted by the city assessor in the 1937 real estate assessment, the bureau has provided convincing evidence for its subscribers and others who are seeking reductions of unjust assessments in the district court. In addition, the bureau's disclosure that the Des Moines city assessor assessed real estate at a higher percentage of the market value than was done in other cities of the state, caused the Des Moines city council to cut \$14,000,000 from the real estate valuations originally made by the city assessor. This will save Des Moines taxpayers \$50,000 a year on the state tax of 3.45 mills, because it will be paid on a lower valuation.
 2. *The 1938 Tax Levy Cut.* Credit for the \$400,000 (three-mill) reduction by the State Tax Appeal Board in proposed city and school tax levies is shared by the bureau and

the Des Moines Real Estate Board. The bureau furnished virtually all of the statistical data justifying the reductions secured.

3. *Appointment of New Fire Chief.* The bureau was active in the fight last summer to select a fire chief as the result of a real, competitive civil service examination. The bureau secretary, upon invitation, helped prepare a portion of the examination questions respecting municipal finance. As a result a capable new fire chief was chosen.

4. *City Manager Campaign.* The beneficial changes in the personnel of the new city council largely resulted from arousing the voters during the recent city manager campaign to the need for such a change. The bureau supplied most of the statistics for the campaign and actively helped in carrying it on.

5. *Annual Deficits Eliminated.* City deficits should never happen again as a result of a law prepared by the bureau and passed by the legislature in 1937. This act provides that the city can spend only 95 per cent of its estimated tax levy (thereby making due allowance for uncollected taxes) and it cannot estimate miscellaneous receipts larger than the amount actually collected during the previous year.

6. *Poor Relief Survey.* The bureau is making the first comprehensive survey of the total local cases and costs of poor relief of all kinds. Poor relief cases have increased from about 1,300 in 1923 or fifteen years ago to over 13,000 now. During the same time the cost has increased from about \$400,000 to \$6,000,000. Recognizing that poor relief on a large scale is likely to be here for a long time, the bureau will help to work out a long-time program which should be more economical than the present method of borrowing a large share of the money expended.

7. *Success of Public Bidder Law.* Nearly \$900,000 has been collected in delinquent taxes during the last three years as a result of the public bidder law sponsored by the bureau several years ago. It is doubtful that more than \$100,000 of the \$2,000,000 delinquent taxes could have been salvaged under the old scavenger tax sale procedure which this law abolished. It is quite likely that over 50 per cent of delinquent taxes eventually will be salvaged.

C. A. CROSSER, *Secretary*

LITTLE ROCK, WHAT NOW?

(Continued from Page 264)

But in the final analysis it was the law which proved the greatest handicap. It will be well worth noting whether anything is done about act 311 when the Arkansas legislature meets again in regular session next January. If in the months to come the proponents and opponents of home rule in Little Rock last February can get together and work out a plan for a fair, practical, and simple referendum on the city manager issue, it may be that Little Rock eventually will get a better, more modern plan of government.

As the *Arkansas Democrat* noted wisely on February 15th, the day after the home rule debacle:

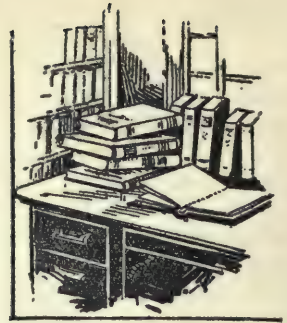
The movement for a city manager form of government is not dead. It will come back under more favorable conditions and we predict that eventually it will be adopted. Doubtless the full force of jobholders will be working against it, as they did in the election yesterday, but the people will have learned more of the virtues of the plan. They will vote their convictions and not their fears.

No less certain of the ultimate triumph of management was the *Arkansas Gazette*, which said editorially the following day:

Little Rock is going to have city manager government sooner or later. . . . If the people of Little Rock get city manager government, as they will in due time, they will never get it from officeholders and politicians, or from special interests with their lawyers and political allies. Little Rock will have to get city manager government through the awakening of all the people to their own best interests.

These conclusions are as adequate as any the writer could draw on the basis of his Little Rock experience. They are well expressed. They pose only one final question—Little Rock, what now?

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

Problems Created by Premature Subdivision of Urban Lands in Selected Metropolitan Districts. By Philip H. Cornick. Albany, New York, Division of State Planning, 1938. xxi, 346 pp. Paperbound, \$1.00.

Premature Subdivision and its Consequences (reprint of volume listed above). New York City, Institute of Public Administration, 1938. Paperbound, \$1.00; cloth-bound, \$1.50.

There is every reason why a relatively short lived administration, whether composed of corrupt, ignorant, or merely complacent officials, should not be permitted to impose a prior lien on future revenues for no more useful purpose than that of providing land agents with "fitting topics of eloquence."

In these words Mr. Philip H. Cornick, in his profound and thoughtful study of *Premature Subdivision and Its Consequences*, summarizes the conclusions which he draws from the experience of the last great boom. His study presents clear and graphically illustrated statistical data gathered with the help of many assistants provided by the Works Progress Administration, relating to Erie, Monroe, Onondaga, and Westchester Counties, New York, and, to some extent, New York City. But it represents far more than that. It represents wise and philosophic reflection

upon what, for lack of a better term, we may call "the vacant lot problem." Mr. Cornick, in fact, has been for several years deeply engrossed in the relation of tax delinquency and other problems of local finance to premature subdivisions.

There can be no doubt that Mr. Cornick's study represents one of the most important contributions to the subject of local government and finance which has been made in recent years. He demonstrates from the statistics which he gathered—not only tabulated, plotted, and graphed, but digested—that the problem of tax delinquency is the problem of the vacant lot. What he found in eight towns in Erie County, adjacent to or not far distant from the boundaries of the city of Buffalo, is shown by the accompanying table.

Mr. Cornick's home city of Yonkers, with 134,000 population, ranking as the fifth city in New York State, shows in its five outlying wards 69.7 per cent in number and 18.29 per cent in value of all taxable property is in vacant lots. At the same time the vacant property in these same wards accounted for 68.98 per cent of all arrears of taxes in those wards, while of 17,344 parcels in arrears, 13,725 were vacant.

Mr. Cornick goes on to further demonstrate by the statistical method that improvements

Towns	Percentages vacant parcels to total		Total arrears	Arrears on vacant land	Percentage of vacant arrears to total	Number of parcels in arrears	
	In numbers	In value				Total	Vacant
Tonawanda	80.6	20.13	\$4,252,849	\$4,087,929	96.1	23,136	22,615
Amherst	76.8	27.97	1,934,824	1,715,142	88.6	9,636	9,143
Cheektowaga	78.0	28.33	1,731,148	1,326,433	76.6	16,374	15,410
West Seneca	77.4	18.84	578,520	460,993	79.7	6,241	5,905
Lancaster	72.1	14.70	371,633	242,367	65.2	9,611	8,995
Hamburg	77.6	16.36	452,103	359,866	79.6	9,830	9,302
Evans	85.6	15.13	105,694	61,409	58.1	8,580	8,049
Orchard Park	69.9	14.96	39,867	18,268	45.8	1,713	1,546

made for the benefit of these vacant properties were responsible for a large proportion of special district and general debt of towns and cities, and that it placed upon the improved property a heavy burden of taxation considerably augmented by the fact that improved property has to make up for the arrears on hopelessly delinquent vacant lots. He shows how the process of subdivision effectively destroys the value of property for rural uses and how the piling up of tax arrears and the confusion of titles make it almost impossible under existing law to put the property to any use whatever. He traces step by step the history of a subdivision and makes clear the method by which a subdivider can put on the market a subdivision provided with paved streets, sidewalks, sewers, water mains, and other appurtenances of urban living, with the outlay of only a few thousand dollars of his own hard cash.

The trick is in getting "corrupt, ignorant, or merely complacent officials" to provide for the financing of the improvements by special assessment on the lots benefited. Of course, when the boom breaks and purchasers throw up their lots rather than go on paying interest, installments of principal, taxes, and assessments, the speculative subdivider is himself ruined. The original owner of the land cannot afford to take it back with all the burdens on it, and the local government unit which laid the special assessments finds itself under the legal or moral necessity of meeting the principal and interest on the bonds which were issued to provide the money for the work.

Mr. Cornick makes very plain what he thinks of the idea of financing real estate speculation with public money. In fact, he compares it with the lending of government credit to railroad and other corporations which ruined so many cities at an earlier period in our history and which resulted in provisions in most of the state constitutions prohibiting such proceedings.

There is no doubt that Mr. Cornick's facts and figures could be made to fit many other parts of the United States with only slight change. There is no doubt that his conclusions are sound for every part of the United States which was affected by real estate booms. The personal observations of the reviewer have satisfied him that what happened in Erie

and other New York metropolitan counties happened with even more disastrous results in the areas surrounding Detroit and Miami. Enough lots were laid out in Wayne, Oakland, and Macomb Counties, Michigan, to have provided for a population of ten million people. Nature is now doing its best to hide the traces of pavements, sidewalks, hydrants, street signs, in an area of hundreds of square miles suffering from a blight far more severe than any within the ken of entomologists. In Coral Gables, Florida, in 1934, there were 2,401 improved parcels and 28,991 vacant lots,¹ while across the Florida peninsula in St. Petersburg there were 16,558 improved parcels and 64,737 vacant lots.² And these vacant lots, wherever they are to be found, are most of them what the St. Petersburgers call "submerged"; in other words, buried under a mass of back taxes and assessments far surpassing any value that the lots may have. Mr. Cornick has dealt in detail on a local scale with a national evil.

While the facts set forth by Mr. Cornick are exceedingly depressing, he does not leave us without suggestions for present cure and future prevention. The present cure is to be found in a modification of tax collection procedure which will make it easier, and particularly cheaper, for the taxing units to foreclose tax liens on vacant property and secure a good title in the name of the unit. He particularly recommends that all such units be given the advantage of an alternative procedure in rem, such as has been recommended by the Committee on a Model Tax Collection Law of the National Municipal League. He points out that the principle of in rem procedure has long existed in New York State. Its advantage, of course, is that it makes possible the grouping of large numbers of lots in a single foreclosure proceeding and does away with the necessity of service, either personally or by publication, on large numbers of almost unreachable claimants to the title. If, as was provided in the bill promoted at the 1937 session of the New York legislature

¹See report of the Consultant Service of the National Municipal League entitled "Financial and Administrative Survey of the City of Coral Gables, Florida."

²See report of the Consultant Service of the National Municipal League entitled "Financial and Administrative Survey of the City of St. Petersburg, Florida." (1936).

by a committee of the New York State Bar Association, such proceedings could be had only in the case of property delinquent for four years or more, no serious danger could exist that anyone would be deprived of valuable property rights without an opportunity to be heard. The purpose, of course, of getting the tax delinquent vacant lots into the hands of public authorities is that such of them as can be sold may be restored to private use and to the tax roll, and that the remainder may be consolidated into some form of public domain to be used for recreation, park, or other public purposes.

The prevention of a recurrence of subdivision madness for the future, in Mr. Cornick's opinion, lies in part in laws restricting the power of local authorities to accept streets in which no improvements have been made and to create special districts for the purpose of making such improvements, the ease of doing which under the New York town law was largely responsible for the piling up of the voluminous debts in the metropolitan areas of New York State. He also speaks with considerable enthusiasm of the control of subdivision by the local planning commission as provided by the Ohio planning statute and practiced in the city of Cincinnati where it is customary to refuse to record plats for subdivisions unless improvements satisfactory to the planning commission have already been made upon the property. This at least is a plan for making the subdividers gamble with their own money instead of the public's. It has been a part of the Model City Charter of the National Municipal League for many years.

Every governor, every member of a state legislature, every city financial officer, every city councilman and county supervisor or commissioner, every member of a town or village board ought to be obliged to read a copy of Mr. Cornick's book, with certain passages illuminated, to the end that they should do something to "effectively protect local governments and their taxpayers against the assumption of onerous duties, obligations, and liabilities of the type which now arise whenever the owner of a piece of land suitable only for use as a cow pasture decides to cut it up into building lots."

THOMAS H. REED

Resources and Debts of the Forty-eight States 1937. By Edna Trull. New York City, Dun & Bradstreet, Inc., 1937. vii, 110 pp. \$2.00.

This volume is based on the sound theory that a millionaire is better able to pay a ten-dollar debt than a beggar. It contains not only a searching study of the amount of state debt and of over-all debt (including the indebtedness of local units of government) for each of the forty-eight states, but also inquires into the social and economic resources of each state.

The author has devised a system of index numbers whereby she attempts to measure the relative importance of the factors deemed most faithfully indicative of the debt-paying capacity of a state. Correlation of the index of ability to pay with the level of per capita debt thus permits computation of the true debt burdens in the states.

The study is significant chiefly because it constitutes an approach to a realistic concept of public debt. As the author takes pains to emphasize, little is now known about the science of intelligent borrowing, either by borrowers, lenders, or students. She disclaims infallibility or even excessive reliability for her indices. Recognizing the tentative character of her findings, she has yet found fairly clear proof that not only do the debt burdens of the states vary widely, but also that per capita debt in many cases bears little relationship to ability to pay. She appears justified in concluding that "in view of the marked divergences in borrowing trends and policies, however, it may be urged that a more universal knowledge and application of safe credit standards would contribute notably to the future financial stability of state and local governments."

MIRIAM ROHER

*

The Administration of Unemployment Compensation Benefits in Wisconsin, July 1, 1936, to June 30, 1937. By Walter Matscheck and R. C. Atkinson. Chicago, Public Administration Service (Publication No. 58), 1937. 98 pp. \$1.00.

Inasmuch as Wisconsin had eighteen months of benefit payment experience under its unemployment compensation law before benefits were payable in any other state, its pro-

cedures and experience have been of great interest to the rest of the country. This study is therefore an attempt to meet the demand for a thoughtful and reasonably complete analysis of the experience of that state. Together with an earlier report, "Unemployment Compensation Administration in Wisconsin and New Hampshire," it completes an account of administrative developments in this field in Wisconsin during the three years from July 1934 to July 1937.

Many administrative problems are examined in the report, including finance, which is one of the more important, organization and personnel, benefit procedures, and the compilation of statistics.

An especially interesting feature of the Wisconsin setup—the tying in of the public employment service with the unemployment compensation system—is fully analyzed. Findings indicate that a large number of benefit claimants are put on new jobs, and that there is little evidence that the worker prefers drawing benefits to having a job. It also seems clear that the introduction of unemployment compensation has not tended to submerge placement activities or to weaken the employment service, as some officials feared.

*

How to Use Pictorial Statistics. By Rudolph Modley. New York, Harper & Brothers, 1937. xvi, 170 pp. \$3.00.

Some "pictographs" are clear and concise; others fall short of their objective of isolating ideas from their irrelevant fringe and making them easily understandable. In view of the increasingly widespread use of this modern method of illustration in books, magazines, and promotion and advertising literature, it is well that the man who is considered the outstanding pictorial statistics authority in this country takes time to discuss basic principles of this comparatively new "vocabulary."

It is to be expected that magazines—particularly those which deal with technical subjects—and people who publish pamphlets, reports, etc., will increase their use of pictographs not only as an effective means of clarifying and transmitting facts but also as means to challenge interest in somewhat the same manner as do headlines and subheads.

Mr. Modley acknowledges Dr. Otto Neurath as the originator of this tool of

communication and the man from whom he himself, as a schoolboy in Vienna, gained his original inspiration. But Mr. Modley does not follow Dr. Neurath's belief that the pictorial symbols can be international—a sort of pictorial Esperanto—because of the difference in dress, tools, and modes of thought in various countries.

The book contains a detailed table of contents, index, and bibliography.

A. W.

*

Graphs—How to Make and Use Them. By Herbert Arkin and Raymond R. Colton. New York, Harper & Brothers, 1936. xvi, 224 pp. \$3.00.

Published in advance of Rudolph Modley's able discussion on *How to Use Pictorial Statistics*, which is also reviewed in this issue, this volume is a complete handbook of graphical methods and procedures for both the beginner and advanced statistician which presents with an abundance of illustrations the latest and most effective techniques in graphic communication. The books are logical companions in the libraries of those whose fields of activity require pictorial or graphic illustration.

The graph has been used for two hundred years or more to present visually and in simple form tables of statistics, comparisons of numerical data, analyses of detailed information, etc. Despite the comparative antiquity of this method, there have always been sharp differences of opinion on the part of authorities who have sought to standardize practices.

In this exhaustive volume the authors present what they consider the best current technique, based on a survey of representative experience. The book contains 141 illustrations, detailed table of contents and index.

A. W.

*

Summary History of Kansas Finance, 1861-1937. By Research Department, Kansas Legislative Council (Publication No. 60). Topeka, 1937. xiii, 57 pp.

A study of the development of the tax system, with synopsis of receipts, expenditures, and indebtedness for the state and local governments from the introduction of statehood through the fiscal year 1937.

ADMINISTRATION AS A SCIENCE

(Continued from Page 266)

in general principles of administration. Henri Fayol's "Administrative Theory and the State" falls short of the standard set in his *General and Industrial Administration*. The reader should not deduce from these critical strictures that the selection of papers is a disappointing one. Rather, they point to the observation suggested at the beginning of the paragraph, namely, that when separate articles are grouped together, it is almost inevitable that the papers as a whole will overlap at points and fail to present all the aspects of the subject.

The symposium presents an interesting cross-sectional guide to current approaches in general administration theory. Not only is the business-government convergence well illustrated in the work of Fayol, Dennison, and Lee, but the two most important recent methodological trends, the deductive and the sociological, find their representation in the work of Mooney, Urwick, Gulick, and Mayo, Whitehead, Henderson, respectively. Miss Follett's approach through the process of integration remains unique and important. Mr. Graicunas contributes logical and arithmetical elaborations on the span of control principle.

The most rewarding part of one's reading is found in the first thirty pages of Luther Gulick's "Notes on the Theory of Organization," the first essay in the series. Here one secures a compressed statement of most of the points made by succeeding authors, plus some crystallizations of Gulick's own rich experience. The latter part of his analysis is not so carefully argued and hence not so invulnerable. He says (p. 30) that "it is astonishing that so many who discuss administration fail to understand what a staff is and what function it performs in the organization." If the half-page discussion which follows was intended to assay this task, the effort, in the reviewer's opinion, falls short of the goal. The subject needs more extended treatment. One assertion, particularly, may be questioned. The contention is (p. 31) that no department in an organization can perform functions which are partly staff and partly line. "There is no middle ground." It seems to the reviewer that such a purist

position leads one into the pitfall which frequently results from an uncritical application of extreme assumptions regarding scientific method, namely that everything is divisible into black and white and that there are no gray areas. We must beware that in the name of scientific method (a God as well as a thinking device) we do not place certainty above understanding. Both Urwick (p. 60) and Mooney (p. 96) recognize that staff and line activities are sometimes found in the same department. This is frequently true of finance and personnel agencies especially, and, as Mooney says,

One question frequently asked is whether the development of personnel policies is properly a line or a staff function. The obvious answer is that it is both, for there can be no staff service in the segregated sense. Such service must always adhere to line responsibilities.

Many important truths of social organization will be found in the samples which Gulick and Urwick have selected. If only writers would take more care about stating their principles as principles should be expressed! We find Mary Follett, for example, saying (p. 161):

Four fundamental principles of organization are: (1) coordination as the reciprocal relating of all the factors in a situation; (2) coordination by direct contact of the responsible people concerned; (3) coordination in the early stages; (4) coordination as a continuing process.

These and similar statements are valid generalizations concerning administration which, in some cases at least, are very significant, both as explanations and as guides to future action. However, perhaps they do not make it clear to the reader, without a full description, what basic proposition they are intended to establish.

The papers are not light reading by any means; however, they are replete with charts and illustrations which add to the clarity of the articles. It would be well if political scientists, following the example of their economist cousins, made wider use of graphical representations. The book deserves a wide audience among practicing administrators, and it is indispensable to those teaching administration.

NATIONAL MUNICIPAL REVIEW

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DEBT ISSUE

Paying for the Past

Editorial

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Edna Trull

Limitation on Local Indebtedness in
New York State

Paul Studenski

The Problem of Revenue Bonds

Frederick L. Bird

The Need for Adequate Reporting of Debt

C. E. Rightor

The Call Feature in Municipal Bonds

Carl H. Chatters

The Immediate Future of Municipal Bonds

Sanders Shanks, Jr.

The Bonded Debt of 286 Cities

Rosina Mohaupt

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The League's Business

With the League's Members.—**Dr. C. A. Dykstra**, president of the University of Wisconsin and of the National Municipal League, was Phi Beta Kappa orator at the recent commencement exercises at Hobart and William Smith Colleges in Geneva, New York. President Dykstra's topic was democracy. He stated that democracy was to be achieved and maintained only by a careful program of education and by assuring the economic base of democracy—"widespread distribution of property and spending power and a decent way of existence for all." Following the address Dr. Dykstra was awarded the honorary degree of Doctor of Humane Letters.

Hon. Murray Seasongood, former mayor of Cincinnati and past president of the League, now one of its honorary vice-presidents, gave a most interesting address before the Cincinnati Literary Club on "The Second International Congress of Comparative Law," whose sessions he attended at The Hague. The address was published in the March, 1938, issue of the *Law Library Journal*.

President Harold W. Dodds of Princeton University, former president of the League, recently addressed the Temple and Pennsylvania University chapters of Pi Gamma Mu, national honorary social science fraternity, in Philadelphia. At the close of his address Dr. Dodds was presented with an honorary membership key.

Former Governor John G. Winant of New Hampshire, a member of the League's council, was elected director of the International Labor Office at Geneva on June 4th. Mr. Winant succeeds Harold B. Butler, who has resigned, to take effect the beginning of the year.

Dr. Alonzo G. Grace, a director of the Citizens' Council Section of the League, has recently resigned from the faculty of the University of Rochester to accept an appointment as Connecticut's new state commissioner of education. Dr. Grace is well qualified for his new position. In addition to his experience in the teaching field, he has been director of education in Cleveland, consultant for the United States Office of Education during the 1928 survey of the Buffalo school system, and more recently a member of the Monroe County, New York, charter commission, serving as chairman of two sub-committees and as a member of the commission's drafting committee.

HOWARD P. JONES, *Secretary*

Letters to the Editor

To the Editor of the NATIONAL MUNICIPAL REVIEW:

Most of our tax burdens are due to a multiplicity of governmental units (a total of 266,000 in U. S. A.). It is to be hoped that the constitutional convention will propose a basis for a modernized system, under which antiquated county government will be abolished and a simplified, single, centralized governmental unit established for each community or area having 100,000 population or more and replacing all present town, village, city, school, and other units, thereby obviating needless taxes, resulting from duplication of public agencies and overlapping and conflicting jurisdictions. Such single unit should consist of an elected mayor and a board of supervisors chosen by an election method which will insure minority representation to the various groups of citizens from the community as a whole rather than on a basis of mere geographical division since the entire area of such a community can now be covered in a fifteen-minute motor drive.

Our democracy can be made more workable and more effective if public attention can be focused on a few elective representatives acting in one unicameral body for the state and in one single governing body for each local community. In harmony with sound principles of government only legislative or policy-determining officials should be elective, all others should be appointed.

The state legislature should be composed of all mayors and a group of senators chosen from the state at large under a plan of proportional representation which would permit each voter to cast his vote for, say, three or five candidates, with provision that all candidates receiving 10 per cent or more of the total vote in the state would be declared elected regardless of the number. This plan would secure representation to all large groups of citizens on the basis of various divisions of public opinion instead of by the old method of territorial divisions. A simplified plan of government coupled with a percentage basis of representation would make it less difficult to elect candidates who have convictions, scholarly attainments, and independence of thought.

SAMUEL A. CARLSON

Mayor Emeritus of Jamestown, New York

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Editorial
Comment



June, 1938

Paying for the Past

IT HAS been repeatedly insisted in these columns that the problem of high real estate taxes is in reality not a tax problem at all, but a debt problem. When it is recalled that the average municipality in New York State—a state in which there was not recorded a single municipal default during the depression—spends approximately 50 per cent of its budget for debt service, it may be seen that solution of the local debt problem would to all practical purposes solve the tax problem.

Yet, even after eight depression years, we are apparently making few strides toward an answer to this question. The indebtedness of municipalities, the compilation of the Detroit Bureau of Governmental Research in this issue indicates, has decreased very little during the last year.

Probably the keenest thinking on this problem at the present time is being done in connection with the New York State Constitutional Convention, as reported in the article in this issue by Dr. Paul Studenski. Various proposals have been made, with an eye to keeping debt within reasonable limits. Most of them stem from the valiant stroke in behalf of the pay-as-you-go system made in New York City's new charter, whereby the largest city in the world goes gradually on a pay-as-you-go basis over a period of fifty years.

One proposal would write into the constitution an over-all debt limit of 10 per cent of the full value of property. While this would certainly keep the

ratio of debt to property value within reasonable bounds, it is a drastic reduction of present debt limits. Many municipal situations in New York State would be over this percentage and the provision would take care of them by requiring them to retire in any year in which new indebtedness were to be incurred substantially more than the amount of the new debt.

There are many difficulties involved in the application of an over-all debt limit of this kind. What is to happen as the over-all limit is approached? Is the school district in need of a new school to be favored at the expense of a city in need of a new city hall or a county in need of a new court house?

Several suggestions have been made to take care of the problems arising under administration. One is that a municipal finance commission be established with power to approve or disapprove bond issues over the limit. Another is that such commission be given power to approve or disapprove within a certain specified range but that there be written into the constitution an absolute top limit. Another would put brakes on the process of incurring debt as the debt limit were approached, through requirements of debt retirement as new debt is incurred. Under this latter plan, the over-all debt limit would thus actually never be reached.

All these are evidences of sound thinking, though no one of them may turn out to be the perfect solution. In any event, it seems reasonable to assume

that the citizen and taxpayer, supplied with adequate machinery of budgetary control, will be able to translate his will into governmental action, provided he has the opportunity so to do. His will may be in the direction of less governmental service and lower taxes or more governmental service and more taxes. But in any budget of which 50 per cent is dedicated to debt service before a

cent may go for current operations of the government, there is no opportunity for the taxpayer to translate his will into public action. The tax rate is already so high he is unlikely to want to pay the cost of additional services. He may want to reduce the cost of government but of this there is no chance. The government budget has gone out of control, paying for the past.

Relief Runs into Tax Limitation

AFTER nearly eight years of wrestling with the unemployment relief problem, Ohio cities are again in desperate straits. Their plight is not only an illustration of the fact that we have not yet solved the biggest problem before our generation—that of unemployment relief—but also a dramatic example of the helplessness of Ohio municipalities under constitutional tax limitation.

In Cleveland, Ohio, the mayor has pledged that 25,000 families on home relief somehow would be saved from starvation. Already the city is two weeks behind in its payroll in the attempt to meet relief requirements. The

Ohio legislature is now in special session trying to do something about the situation.

Ohio cities have home rule—in theory. They can draft their own charters, adopt any form of government that suits them, administer their functions as they choose. But they haven't the legal power to meet a situation in which members of their community are starving! They are not permitted to raise enough money out of the real estate tax to carry on the functions of government they wish to carry on. Home rule becomes a mockery because Ohio cities lack the power to raise sufficient revenue.

Trained Followership

OFFICEHOLDERS who retire into bitter seclusion when they are unwillingly separated from the public payroll are plentiful. It is therefore refreshing to find one who voluntarily steps down because he recognizes the great need for "trained followership" among the public.

When Town Clerk Walter R. Marvin recently announced his decision not to be a candidate to succeed himself in the town of Mamaroneck in the nation's richest county of Westchester, New York, he said:

It is in the public interest that there be among the residents of a community a sizeable nucleus of those who have held office in the past and who will continue to maintain civic interest after stepping down. It is in the interest of the officeholder himself that he not get the idea he has an inherent right to any particular position.

While there is food for thought in these words, it might be well to accept them with the reservation that the idea should not be applied to career men in the public service, of which this country and all its governmental subdivisions need more, not less. But who will say that citizens' organizations, devoted to gaining improvements in their own governments, would not profit immeasurably by having a plentiful sprinkling of former mayors, former councilmen, former members of boards and commissions who could, if they would step back into the ranks and still retain their interest, be invaluable in promoting the development of sound public opinion and citizen action?

Resources and Debts of the Forty-eight States

Lack of uniformity in the state-local debt loads stresses the need for a comparative study of this basic element of fiscal policy and public credit.

EDNA TRULL

Municipal Service Department, Dun & Bradstreet, Inc.

PLUTOCRATIC John Doe may owe a million dollars and have ample resources for payment, while his impecunious neighbor, Dick Roe, wages a futile struggle with the five-thousand-dollar mortgage on his home. The latter is the heavier debt when measured in terms of capacity to pay.

Public debtors, no less than private debtors, can become involved in disparities of resources. What one community can afford to borrow for with impunity may be a gross extravagance for another. That the nation's wealth is far from finding even distribution over its expansive area or among its populace is a routine fact, but the national unity of the states often tends to obscure the extent of their wealth inequalities. Per capita debts, therefore, may be injudiciously overworked for comparative purposes, instead of being accepted merely as conveniences for reducing astronomical figures to intelligible proportions.

That time-honored measure of the weight of public debt—assessed valuation—has too many inadequacies and uncertainties to stand by itself as a standard. Among them are the varying bases of assessment from state to state both in relation to full value and the categories of property included, the uneven quality of assessing, and the fact that the general property tax is only one of numerous sources of revenue for the payment of debt. It needs to be bolstered, therefore, by standards that are more accurately comparative and

are more inclusively reflective of debt-paying ability.

If economic debt-paying capacity could be measured precisely, the analysis of public credit would advance notably toward the realms of exact science. The study on which this article is based¹ makes no claims to results attaining any such precision, but offers experimentally what is believed to be a more practical and accurate index than assessed valuation of the relative debt-paying abilities of the forty-eight states. The measurement standard evolved, it should be emphasized, is not absolute but relative, and therefore is applicable to comparison of debt loads rather than to determination of the maximum limit to which a state may safely borrow.

The choice of measurement standards is somewhat circumscribed by availability. It must be limited to those which are of fairly recent date, which are recurrently available at not too long intervals, and which can be shown to be particularly and directly applicable to the purpose. Rather extensive experimentation suggests the combination of seven factors as setting forth most satisfactorily on a comparative basis the debt-paying resources of the states. They are only partially wealth-measuring standards, as they have been chosen also with a regard to the types of state debt and to the sources of revenue now available for payment.

¹See the author's *Resources and Debts of the Forty-Eight States*, Dun and Bradstreet, Inc., 1937.

PER CAPITA DEBTS AND DEBT LOAD RATIOS, 1937
FORTY-EIGHT STATES

	<i>State Net Tax-Supported Debt Per Capita</i>	<i>State and Local Net Tax-Supported Debt Per Capita</i>	<i>Weighted Index Of Debt-Paying Capacity</i>	<i>Ratio of Over-all Debt to Index</i>
Alabama	\$25.52	\$ 61.78	585	10.56%
Arizona	.46	108.56	1546	7.02
Arkansas	77.44	103.83	551	18.84
California	18.20	139.49	2689	5.18
Colorado	27.08	85.46	1587	5.38
Connecticut	...	78.90	2553	3.09
Delaware	11.92	85.20	2109	4.04
Florida	...	274.05	1236	22.17
Georgia	8.78	26.62	790	3.37
Idaho	3.28	76.06	1285	5.92
Illinois	25.89	106.81	1812	5.89
Indiana	1.16	46.79	1308	3.58
Iowa	2.59	80.25	1384	5.80
Kansas	11.39	61.73	1306	4.73
Kentucky	.86	30.66	782	3.92
Louisiana	53.32	144.42	864	16.71
Maine	31.77	59.31	1588	3.73
Maryland	28.84	130.81	2135	6.13
Massachusetts	6.53	79.08	2557	3.09
Michigan	5.49	117.45	1655	7.10
Minnesota	46.53	120.00	1651	7.27
Mississippi	23.42	84.77	467	18.15
Missouri	30.31	83.26	1366	6.09
Montana	17.45	79.75	1808	4.41
Nebraska	...	49.85	1364	3.65
Nevada	7.25	57.25	2603	2.20
New Hampshire	19.83	52.69	1894	2.78
New Jersey	22.02	200.03	2138	9.35
New Mexico	39.49	100.44	1087	9.24
New York	41.55	266.06	2845	9.35
North Carolina	39.33	122.78	718	17.10
North Dakota	31.44	67.06	1069	6.27
Ohio	.83	93.03	1677	5.55
Oklahoma	4.72	49.40	911	5.42
Oregon	29.50	129.45	1675	7.73
Pennsylvania	11.80	109.24	1762	6.20
Rhode Island	41.05	151.18	2416	6.26
South Carolina	23.40	66.90	613	10.91
South Dakota	53.35	95.25	1100	8.66
Tennessee	40.22	104.82	822	12.75
Texas	2.79	100.16	1193	8.39
Utah	6.27	58.64	1349	4.35
Vermont	20.63	51.94	1583	3.28
Virginia	6.61	49.60	1111	4.46
Washington	7.83	89.48	1794	4.99
West Virginia	41.81	68.08	920	7.40
Wisconsin	.40	51.87	1676	3.09
Wyoming	13.30	127.60	1901	6.71

These seven economic indices have been made the components of a weighted index of what may fairly be referred to as debt-paying capacity. This index may be described as the sum of the percentages of the median for each of the individual series, weighted in accordance with the importance of the components. The method employed is a relatively simple one. More complicated, and perhaps more orthodox, methods have been discarded as not suited to creating from the material available the type of index desired.

ECONOMIC INDICES USED

The seven factors employed may be described briefly, as follows.

Percentage of population making federal income tax returns. This factor takes no account of the size of the tax paid, but concerns itself with the diffusion of taxpaying capacity. It shows comparatively for the states the degree of minimum well-being which exists for their populations and presents a reasonably clear picture of the general level of wealth. It does tend, however, to underestimate the economic level of the more purely agricultural states, where a considerable portion of subsistence is not reflected in money income.

Income tax returns over five thousand dollars. Supplementing the first factor, this index takes account of taxpaying potentialities arising from the presence of larger than minimum taxable income and allows a reasonable degree of weight to be given to concentrations of wealth.

Retail sales per capita. A community's spending practice goes far in reflecting its spending power—its liquid resources and the living standard of its people. Retail sales afford an excellent basis for a general classification of the states, and become a very practical index of paying capacity in the many states which have adopted sales taxes. They are particularly useful in reflecting the non-resident contributions to the re-

sources of those states extensively engaged in entertaining visitors, but are less satisfactory in highly rural states.

Gasoline consumption per capita. The universal use by the states of gasoline and motor vehicle taxes and the fact that 45.4 per cent of outstanding state debt is highway debt suggest the importance of some index in this field as a measure of debt-paying capacity. Gasoline consumption per capita has been selected as a measure of a state's potential ability to secure revenues from this source.

Motor vehicles per one thousand population. Motor vehicle ownership is used as an index to supplement and balance that of gasoline consumption. Neither, used exclusively, is satisfactory, as such factors need to be given consideration as variation in mileage per car from state to state and consumption of gasoline by out-of-state cars.

Estimated taxable property value per capita. While the general property tax has come to occupy a minor position in the tax system of the states, it still remains the most formidable source of local revenues. The general property tax base, therefore, cannot be ignored in any appraisal of debt-paying capacity. In order to secure greater comparability, an effort has been made to adjust assessed valuation statistics to full value—though the results are estimates for which no claim of accuracy is made.

Savings deposits per capita. Savings deposits are more an indication of a state's liquid assets than of income or wealth. They demand consideration as an index of debt-paying capacity, however, because they reflect thriftiness and constitute a cash reserve which may be called upon, if necessary, for meeting tax or other obligations.

The significance of these seven factors in reflecting the wide range of debt-paying resources among the states is brought out in the following table, which

RANGE IN INDICES OF DEBT-PAYING CAPACITY

	Median	High	Low
Percentage of population making income tax returns, 1936	2.75	6.72 N. Y.	0.69 Miss.
Income tax returns over \$5000 per 100,000 population, 1935	209	733 N. Y.	53 Miss.
Retail sales per capita, 1935	\$261	\$432 Nev.	\$88 Miss.
Gasoline consumption per capita, 1936 (gals.)	165	328 Nev.	69 Ala.
Motor vehicles per 1000 population, 1936	232	385 Nev.	102 Miss.
Estimated taxable property value per capita, 1936	\$1375	\$2460 Nev.	\$452 Miss.
Savings deposits per capita, 1936	\$81	\$583 Mass.	\$15 S. C.

shows, for each factor, the state median and the relation which exists between the high and low state.

The weighted index of debt-paying capacity, a composite of the seven factors which have been outlined, permits a ranking of the states and also provides a base for comparative evaluation of their debt loads.

Significant in reflecting the wide disparity in the debt-paying resources of the states is the fact that the first ranking state, New York, shows more than six times the ability of the forty-eighth ranking state, Mississippi.

Among the first twelve states, those along the north Atlantic seaboard predominate. This group comprehends all of the New England states except Maine and Vermont and includes New York, New Jersey, Delaware, and Maryland; skips westward to include Illinois and moves far west to take in California, Nevada, and Wyoming.

Some of the heavily industrial states, such as Illinois, Pennsylvania, Michigan, and Ohio, are probably ranked below their normal positions. This arises from the fact that retail sales and income tax components are based on figures for 1935 which still disclosed something of these states' abnormally reduced economic status in the depression.

How debt burdened, comparatively, are the states? This question may be answered when their combined direct and local debts are related to economic ability to pay. The answer has been essayed by relating the per capita, net, tax-supported debts, state and estimated local, to the respective indices of debt-

paying capacity. The accompanying table gives, for each state, its index of debt-paying capacity, its per capita, direct, net, tax-supported debt, its estimated direct and local net tax-supported debt, and the ratio of this over-all debt to the index—its debt-load ratio.² Charts I and II, considered comparatively, illustrate the effect of varying resources on the burden of debt. The former depicts the state and local, net, tax-supported debts on a per capita basis; the latter, showing their ratios to the index, reflects the weight of the debt obligation.

It may well be stressed, at this point, that the maximum amount of debt which a community can support is an unknown quantity. Heavily indebted areas have accumulated their obligations so recently that there has been no test of long-term capacity to pay. The experience of the depression, however, has suggested that the present average state and local debt load is not a too conservative standard for safety in borrowing.

The debt load ratios permit the determination of the relationship which the over-all debt load of each state bears to the average, or median, and to the other states. The states with ratios falling close to the median constitute the normally indebted units on the basis of the present general level of borrowing. As the debt load ratios drop below the

²Per capita state debts and per capita local debts, partly estimated, are taken from the author's *Resources and Debts of the Forty-Eight States, 1937*. The figures are for net, tax-supported debt, after deduction of all self-supported debt of revenue-producing enterprises.

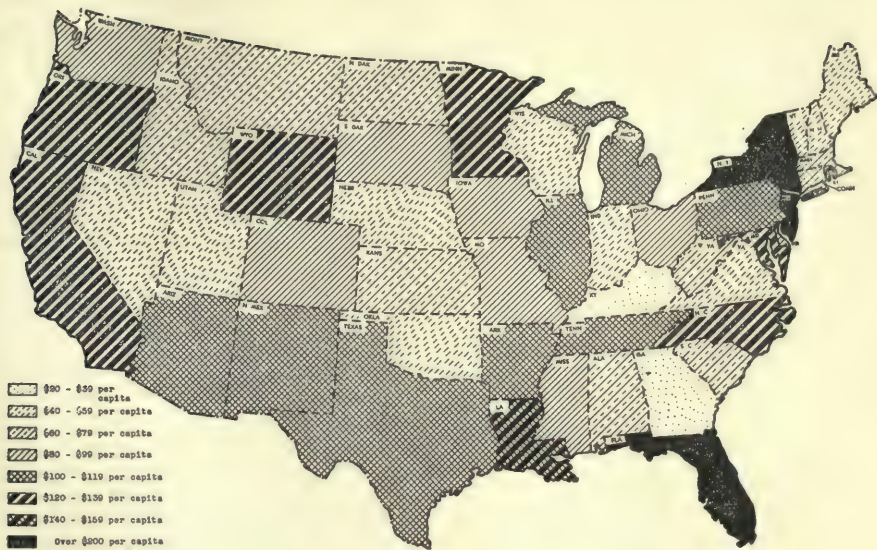


CHART I

State and Local Net Tax-supported Debts Per Capita, 1936-37

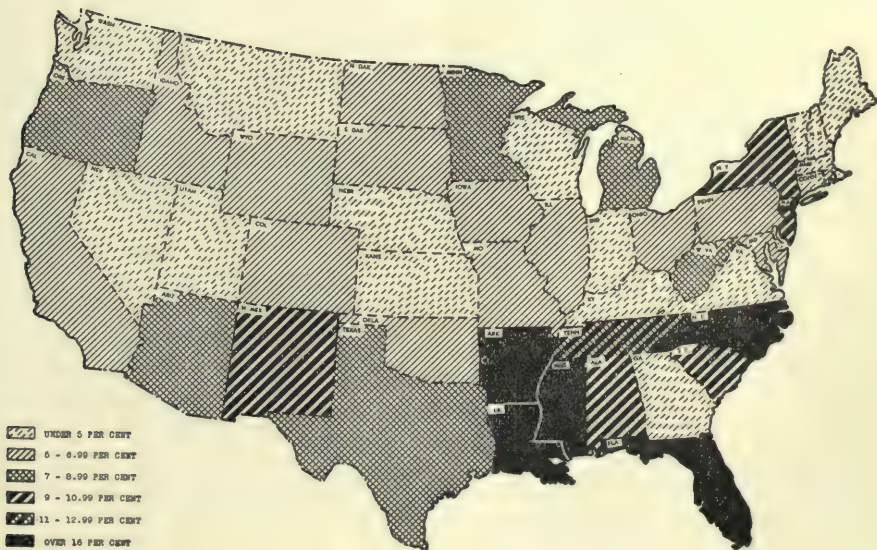


CHART II

Ratio of State and Local Net Tax-supported Debt to Index of Debt-paying Capacity

median they indicate increasingly greater conservatism in borrowing, while as they move upward they reflect progressively heavier than average drafts on resources for the support of debt.

The range in over-all debt load is startlingly wide. Florida, at the upper extreme, is ten times as heavily indebted in relation to paying capacity as Nevada, at the lower end of the scale.

The median debt load ratio (over-all per capita debt related to index of paying capacity) is 6 per cent. Roughly one-third of the states fall within one point of this figure. Twelve states have a debt load two thirds or less of the median. At the upper end, however, there are three states with debt loads over three times the median and two with more than twice the average debt load.

This type of analysis suggests the pitfalls in relying on simple debt statistics to convey the facts regarding the weight of the debt. States with similar per capita over-all debts may be far apart in the debt loads which they support, while states with widely divergent per capita debts may be close in the relation of debt to resources. This is evident from comparison of the two maps and is emphasized by the following selected figures:

	<i>Over-all Per Capita Debt</i>	<i>Debt Load Per Cent</i>
Mississippi	\$84.77	18.15
Missouri	83.26	6.09
Colorado	85.46	5.38
Delaware	85.20	4.04
New York	266.06	9.35
Alabama	61.78	10.56

The regional distribution of the over-all debt load of the states, brought clearly to the eye in the second map, is

significant. Conspicuous is the almost solid block of southern and west south central states which is carrying the nation's highest state and local debt burden. Of the states south of the Missouri-Kentucky-Virginia line, only Georgia has avoided an abnormally heavy debt load. New England stands out as the most conservatively indebted region, with the relatively high burdens of New York and New Jersey a marked contrast. East and west north central states carry normal to conservative debt loads except for South Dakota, Michigan, and Minnesota. Texas, in the southwest, rises above average as does New Mexico, and to a less extent Arizona, among the mountain states. On the Pacific coast only Oregon diverges from conservatism, and it not markedly.

The conspicuous lack of uniformity in the state-local debt loads of the forty-eight states stresses the need for comparative study of this basic element of fiscal policy and public credit. The fact that since 1930 the debts of seven of the twelve most heavily indebted states have continued to rise is evidence that credit reserves in some areas are not only being depleted but may be in danger of exhaustion. It is reassuring, on the other hand, that public borrowing in many states still maintains a conservative relationship to resources for payment, thus providing ample margin for both normal and emergency needs of the future. In view of the marked divergences in borrowing trends and policies, however, it may be urged that a more universal knowledge and application of safe credit standards would contribute notably to the future financial stability of state and local governments.

Constitutional Limitation on Local Indebtedness in New York State

Many proposals relating to debt limit provisions in state's basic law presented to the constitutional convention now meeting in Albany.

PAUL STUDENSKI
New York University

A NUMBER of proposals for the modification of the existing constitutional limitations on local indebtedness in the State of New York are being considered by the State Constitutional Convention which is meeting in Albany at this moment. Among these proposals the following are especially important: (1) to stabilize the local debt limits; (2) to exempt debt of revenue-producing undertakings to the extent to which the revenues earned, after meeting operating expenses, cover debt charges; (3) to exempt unconditionally from the debt limit a certain amount of bonds for the acquisition by the city of the properties of the transit companies; (4) to exempt from the debt limit bonds issued for housing purposes; (5) to facilitate the introduction of the pay-as-you-go method of financing capital outlays by extending the constitutional tax limit; and (6) to reduce the debt limit for counties.

The constitutional debt limit in this state applies only to cities and counties and is fixed, as in many other states, at 10 per cent of the last assessed valuations of real estate. It has been apparent to students of municipal finance in this state for some time that such a debt limit is far too susceptible to the influences of the business cycle; that it expands too rapidly during periods of prosperity and contracts too rapidly during periods of depression, and should be modified so as to become

more stable. The very simple idea has been hit upon of basing the debt limit not on the assessed valuations of the last assessment date, but on the average assessed valuations of the preceding five years or so. A debt limit so computed, it is said, would not expand as rapidly during the periods of prosperity, nor shrink as rapidly during periods of depression, as one computed under the existing plan. It would check an over-rapid growth of debt during periods of a boom and prevent an over-rapid contraction of debt-incurring power during periods of depression. It would work to conserve municipal credit during periods when it needs to be exercised most.

Graphs I, II, and III show, in the case of a few selected cities, how a debt limit modified in the suggested manner would have operated during the various stages of the business cycle over the past seventeen years or more. It may be seen from these graphs that in the case of New York City, for example, the debt limit would have increased from 1920 to 1930 under the new plan only 88.0 per cent as compared with an actual increase during that period under the existing plan, of 111.0 per cent, and that it would have increased from 1930 to 1935, 15.2 per cent as compared with an actual decrease of 8.5 per cent.

The following arguments have been advanced in favor of the proposed change:

(1) It would tend to check an over-rapid expansion in the debt-incurring power of the cities and counties, and an excessive incurrence of debt on their part during periods of good times. It would compel these local governments to finance from taxation a substantial proportion of their improvements during such periods and to follow more conservative policies in their capital outlays. Inasmuch as the tax resources of the local governments are expanding during such period, the financing of a substantial proportion of public improvements from these resources at such times is feasible.

(2) By keeping the indebtedness of these local governments at moderate amounts during periods of good times, the debt limit, altered as proposed, would make it easier for these governments to borrow money for budgetary deficits and for relief and other emergency expenditures during periods of depression. It is exceedingly important that their credit be preserved for such times.

(3) The proposed alteration in the method of computation of the debt limit would prevent an overrapid shrinkage of the debt-incurring power of the local governments concerned during periods of depression. It would thus remove the handicap which now stands in the way of the exercise by them of their credit at such times. It would protect these governments against the possibility, now existing, of their indebtedness suddenly becoming in excess of the debt limit because of a sudden reduction in their assessed valuations of real estate.

Water debt has always been exempted in the State of New York from a constitutional debt limit. It is thought by some people that the prime reason why water debt was exempt from the debt limit from the very outset was the fact that water supply was considered to be a public necessity and that it was desired, therefore, not to place any impediment in the way of the cities financing the construction of water works. Undoubtedly, considerations of this sort must have been in the minds

of some of the authors of the constitutional provisions under discussion. Investigations reveal, however, that these ideas were by no means the prime factor in securing an exempt status for water debt. The fact that water supplies were revenue-producing undertakings and imposed no charges or, at best, only slight charges on the taxpayers, was the more important reason for the exclusion of water debt from the debt limit. It was stated that the revenues of the water works were generally sufficient to cover not only the operating expenditures but also to meet the interest and amortization charges on the debt incurred for their construction.

WHAT DEBTS TO BE LIMITED

The reason for constitutional debt limitations, evidenced by the debates in the past constitutional conventions, was merely to limit those debts which must be met by future taxation. Such provisions were intended to prevent the imposition of heavy tax burdens on future generations. In 1886, two years after the adoption of the constitutional amendment under discussion, the Court of Appeals of this state said:

We think it plain that the indebtedness here referred to is an indebtedness to be met in the future by taxation . . . The mischief to be prevented [by the constitutional restriction] was the creation of an excessive debt for local improvements, or public works, or the loaning of municipal credit so payable that the burden should not fall upon those who contracted the obligations, or on their revenues, but on posterity.

The contention that water debt should be exempt from the debt limit because water is a necessity assumed prominence only at a later date when it became apparent that some of the water supplies were not completely self-supporting and that the debts incurred for them would impose some burdens on the taxpayers. Some groups in the state demanded that

the municipalities be either compelled to make their waterworks completely self-supporting or denied the privilege of exempting from the debt limit debts incurred for these waterworks. The argument that water is a necessity was then advanced by those people who did not wish the municipalities to be hampered in the development and management of their water supplies.

While New York City was building its subways and docks during the first and second decades of this century, none of the other cities in the state were projecting any substantial income-producing undertakings other than water supply systems. New York City alone, therefore, was interested in the adoption of a comprehensive amendment exempting from the debt limit debt incurred for revenue-producing undertakings other than waterworks. This explains why the constitutional amendment passed in 1909, granting the exemption of such debt, applied only to New York City.

SELF-LIQUIDATING DEBTS

During recent years, however, several cities in the state have established revenue-producing undertakings other than water supply. Today three cities are operating electric plants for general distribution and a fourth is operating a hydroelectric plant for municipal purposes and sells the surplus power to a private utility. A number of cities derive revenue from airports and markets and some have revenue-producing auditoriums, docks, conduits, and various other enterprises, but outside of New York City the extent of these undertakings is still limited. Villages have had legal power for many years to own and operate municipal electric plants for general distribution. At the present time fifty-six villages have such plants. It is possible, therefore, that during the next few years the number of cities operating utilities of one kind or another

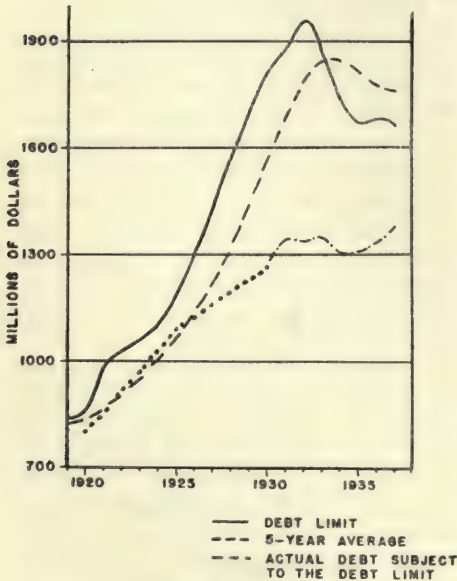
in the State of New York may materially increase.

In view of this development, some groups in the cities feel that the privilege of a general exemption of self-liquidating debt from the debt limit, now enjoyed only by the City of New York, should be extended by an appropriate constitutional amendment to other cities as well.

It is asserted, however, by the groups in question, that the exact form of the present provision exempting self-liquidating debt in New York City is defective and should be materially modified, especially if it is to be more generally applied. Under the existing provision, debt which is completely self-liquidating is exempt, but debt which is only 80 or 90 per cent self-liquidating is not exempt. An undertaking must earn at least enough to cover all operating expenses and debt service to be entitled to the exemption of its debt. A deficit of 1 per cent would be sufficient to make the debt 100 per cent non-exempt. This arrangement is held to be illogical and improper. It is pointed out that municipal undertakings may sometimes benefit not only the users of their services, but also the community at large. It may be quite proper, therefore, to finance them only in part by charges on the users, and to supply the deficit from general taxation. Yet, under the present provisions, the debts of such undertakings would not be eligible for exemption. Preference is expressed, therefore, by various groups for a provision which would exempt debt to the extent to which it is self-liquidating. Under such a provision, for example, in the case of an undertaking whose earnings, after covering operating expenses, supply 70 per cent of the interest and amortization payments, 70 per cent of the debt would be exempt. It is proposed, at the same time, however, that the existing complete exemption of

water debt from the debt limit be left undisturbed.

A review of recent literature on the subject of constitutional and statutory debt limitation indicates that the predominant opinion favors the exemption of debt incurred for revenue-producing undertakings to the extent to which such debt is self-liquidating. A commission formed to investigate municipal finance in New Jersey, directed by



NEW YORK CITY

Comparison of: (a) debt limits based on last assessed valuations; (b) debt limits based on average assessed valuations; and (c) actual debt subject to the debt limit.

Harley L. Lutz, in 1931 expressed the following opinion:

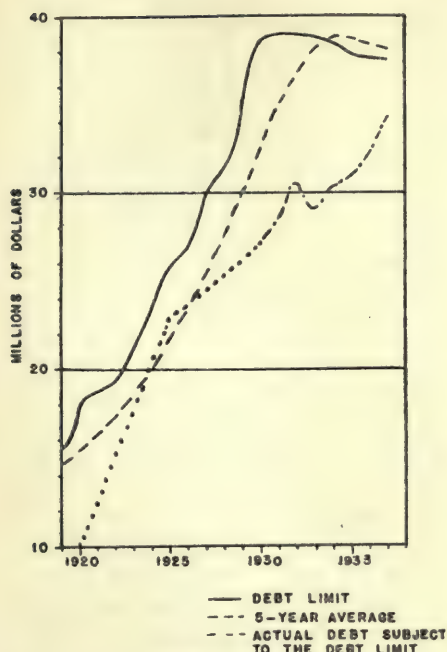
The principal distinction to be observed in a comprehensive plan of debt limitation is that between the debt which is to be carried by general taxation and that which is to be supported in some other way . . . So far as the whole mass of the so-called "self-supporting" debt is concerned, the practical and effective limit is the volume of earnings, assessments, or other specific receipts available for this debt service.

This recommendation was ultimately carried out in the New Jersey local bond act of 1935 (ch. 77, P. L. 1935). This act, which the committee on municipal debt administration of the Municipal Finance Officers' Association has recommended for study by other states, provides for the exemption of debt incurred for revenue-producing undertakings to the extent to which such debt is self-liquidating.

A study of the constitutional debt and tax limits of New York, prepared by F. L. Spangler for the State Tax Commission in 1932, recommended that exemption from the debt limit be granted to "indebtedness incurred for any and all revenue-producing improvements to the extent that the current net revenue derived therefrom meets the interest and amortization installments of the debt."

Other writers might be cited expressing similar opinions and recommendations, but the quotations above probably indicate as well as any the trend of recent thought. To make this proportional exemption more stable it is proposed that the proportion be based on the average earnings and expenditures of the undertaking for the preceding three or five years.

As a result of the difficulties which the municipalities in New York experienced during the depression in meeting out of their reduced revenues their large fixed charges and other expenditure requirements, a strong reaction developed recently in many municipalities of New York State against the policy of financing capital outlays by borrowing. Under the home rule powers, some municipalities of the state have, on their own initiative, written into their charters restrictions upon their debt-incurring powers. Thus, for example, the people of the City of New York, in the new charter adopted in 1937, have provided for a gradual transition from a borrowing policy to a pay-as-you-go policy in



Comparison of: (a) debt limits based on last assessed valuations, (b) debt limits based on average assessed valuations; and (c) actual debt subject to the debt limit.

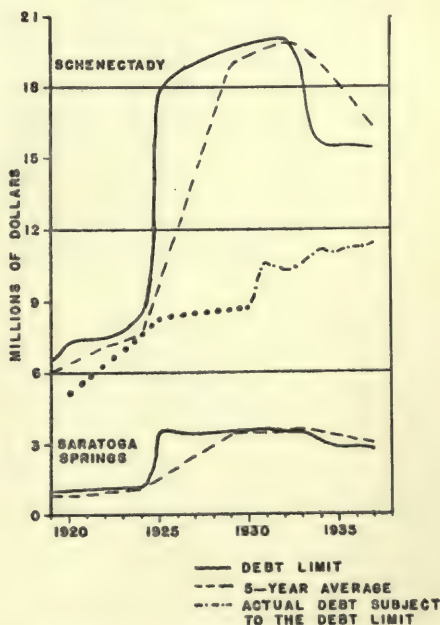
the financing of public improvements. In section 244 of the charter provision is made that during the fiscal year 1937-1938 not less than 2 per cent of the amount authorized to be expended for public improvements of a non-revenue producing nature is to be financed from current taxation, and that in each succeeding year an additional 2 per cent of the amount to be expended for all such purposes be so financed. In this way the proportion financed by taxation is to increase, and the proportion financed by the sale of bonds is to diminish, gradually. The charter also limits the maximum maturity of bonds for the financing of public improvements to thirty-five years in certain cases, and to as little as ten years in others. Moreover, the charter provides for a system of regular annual budgeting of all capital outlays and preparation of five-year capital outlay programs.

The city of Syracuse, in its new char-

ter, has inserted a requirement for a referendum for each bond issue. Utica, in its new charter, has limited the amount of debt which may be incurred for public improvements in any year to 75 per cent of the amount of debt paid off during the preceding year, unless the people in a referendum authorize the incurrence of a larger debt.

A serious obstacle to the effectuation of a pay-as-you-go policy in New York and the other larger cities of the state is the present constitutional tax limit to which these cities are subject. This limit is fixed at 2 per cent of the assessed valuation, with an exemption for debt service. The levies for other purposes than debt service in these cities are either already up to, or border on, the 2 per cent limit. It would be impossible, therefore, for these cities to finance their capital outlays on a pay-as-you-go basis, within the 2 per cent

(Continued on Page 316)



Comparison of: (a) debt limits based on last assessed valuations; (b) debt limits based on average assessed valuations; and (c) actual debt subject to the debt limit.

The Problem of Revenue Bonds

Increased use of public borrowing to finance self-supporting government functions emphasizes need for complete overhauling of our defective system of public borrowing control.

FREDERICK L. BIRD

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OUR states and cities have discovered a new way to borrow money—through the medium of revenue bonds. Since the traditional methods and powers of borrowing have not infrequently afforded excessively ample facilities for incurring public debt, sound policy dictates that this new borrowing medium be scrutinized very critically, with respect to the appropriate limits of its application, to the proper methods to be employed in its use, and to the responsibilities which are entailed once revenue bonds become a part of a community's borrowing program. This critical approach is particularly important because the widespread use of revenue bonds has come suddenly, and largely as a by-product of a national emergency. Under such auspices it is very easy for even a worthy instrument to be stultified by mishandling.

Revenue bonds are still so novel a form of public borrowing that a definition is in order to avoid confusion in terminology. For purposes of this discussion, a revenue bond is an obligation of a governmental unit, issued for financing the acquisition, construction, or improvement of a revenue-producing enterprise and payable exclusively from the revenues of that enterprise.

To speak of revenue bonds as a new way to borrow money is not strictly accurate, as the initiation of this type of borrowing in the United States dates back nearly a century to the financing

of a Philadelphia gas light system, and more actively about fifty years, to the issuance of water certificates by Spokane, Washington, payable solely from the revenues of its water system. The litigation which this transaction entailed led to the enactment by the state of Washington, in 1897, of the first general legislation in this country authorizing the issuance of revenue bonds. This type of security came to be issued rather extensively in Washington, particularly in Seattle and Tacoma for the financing of water, light, and street railway systems. A number of other instances of the use of revenue bonds prior to recent years may be found, notably in Chicago, St. Louis, and several Indiana, Illinois, Ohio, and Texas cities, for water systems.

But in the 1920's the problem of revenue bonds was still primarily that of how to secure legislative authorization and the favorable opinion of the courts. It was in the 1920's, however, that impetus was given to revenue bonds by the introduction of municipal improvement authorities—public corporations authorized to construct and operate certain specified facilities, impose service charges, and issue bonds payable solely from revenues, but granted no powers of taxation. The Port of New York Authority was the outstanding pioneer.

It has been the federal government's pump-priming public works program, however, which has brought revenue

bonds into general prominence. With the PWA wishing to give preference to revenue-producing enterprises in its loans and grants to state and local governments, the revenue bond suggested itself as the best means of circumventing constitutional restrictions on borrowing, counteracting the popular opposition to new debt which might increase taxes, and of safeguarding loans to units of government whose general credit was weak or uncertain. The incentive of federal funds and aid in the drafting of appropriate statutes led quickly to the adoption of enabling legislation in well over half the states, and the idea of loans for revenue-producing enterprises secured by revenues only continues to gain in popularity—with a steady flow of revenue bond issues from states, municipalities, and special districts.

It appears to be the consensus of informed opinion that while the PWA has been a potent stimulus to revenue bond financing, the procedure is due to continue as an important phase of public borrowing irrespective of the future lending policies of the federal government.

MANY MILLIONS INVESTED

The important position held by revenue bonds in the record of state and local borrowing in 1937 lends definite support to this opinion. A partial record shows that the relatively large revenue bond issues of \$100,000 or more last year totalled at least \$162,000,000 (not including limited obligation highway revenue bonds) and that, with the inclusion of the many smaller issues, financing of this type probably approached \$175,000,000. This constitutes over a fifth of all state and local bond financing for the period, exclusive of refunding bonds, as, according to *The Bond Buyer's* "Municipal Bond Sales, 1937," the total was \$782,000,000. Revenue bond issues during the year came from at least half the states, were

for more than a dozen different purposes and, fully as significant, mainly found a general market.

If revenue bonds should continue to be floated at this rate, they would soon become an important part of the public debt. So recent, however, is their emergence, that consultation of a half-dozen current general works on public finance failed to educe a single reference to them. There is danger, therefore, that their use may outdistance the formulation and dissemination of sound principles for their control.

In many respects revenue bonds do not constitute a problem, but are rather a very practical solution for several pressing problems of municipal government. They tie in with problems of debt limitation, of taxation, and of administrative efficiency.

In the first place, the opportunity to finance with revenue bonds offers greater flexibility to cities wishing to expand their functions in line with modern requirements, and desirous of being more broadly useful in the provision of community services. Many cities administratively competent to operate revenue-producing enterprises have been held back by antiquated constitutional, statutory, or charter provisions regarding borrowing, designed in accordance with the theory that a local government should perform only a minimum of necessary functions in the community. Where authority to own and operate revenue-producing enterprises has existed in theory, financing powers have sometimes been ineffective in practice. In some instances a low borrowing limit, intended for effective control of tax-supported debt, has taken no cognizance of the fact that self-sustaining utilities belong in a different category.

Secondly, revenue bonds help to avert taxpayer opposition to progress. A self-supporting water or light system can readily be starved into decrepitude by

a popular misconception that the incurring of any kind of general obligation debt increases taxes; and a highly desirable new undertaking, with every prospect of financial success, is frequently defeated by this same state of mind. Assurance that the tax rate will not become involved tends to disarm hostility.

In the third place, revenue bonds afford range for experiment with types of enterprises without involving a community in an intolerable burden of tax-supported debt. This is not advocacy of a municipality entangling itself, through revenue bonds, in speculative ventures; but, rather, the suggestion that this type of financing, because of the necessity of finding a market, will require realistic planning and adequate demonstration of its soundness.

A fourth advantage of revenue bonds arises under certain circumstances and conditions prevailing in two special classes of communities. A not insignificant number of municipalities defaulted so disastrously in the depression that despite the curing of the defaults their general obligation bonds are still selling in the 60s, 50s, and even lower. Their capital financing problems are well nigh hopeless of solution for years to come so far as the successful marketing of general bonds is concerned, and pay-as-you-go financing is often precluded by the onerous terms of their refunding plans. In such basic essentials as water and sewer systems, however, which can be made self-supporting, they can find a way out through revenue bonds.

In almost as serious a predicament are those municipalities which are so hemmed in by tax rate limits that they have no means of meeting the requirements on new general obligation debt. They also may be forced to use their ingenuity in making functions revenue-producing in order to justify resort to revenue bonds.

Revenue bonds, in the fifth place, tend to enforce more efficient management of a municipality's business enterprises. A primary purpose of revenue bonds is to permit a governmental unit to provide capital for its business undertakings in the same way in which a private concern would perform this function—the issuance of securities to be supported by earnings. It follows, however, that management must be on a business basis—that rates must be carefully adjusted to provide adequate revenue for operations and debt service, that other departments must be properly billed for services rendered, that accounting methods must be standard, that revenues must be kept disentangled from the general city funds, that safe reserves must be maintained. And since creditors are dependent entirely on the performance of the undertaking, they will insist on more frequent and precise reporting than if the obligations rested on the broad base of the general taxing power.

UNDERTAKINGS TO BE FINANCED

The fact that revenue bonds have many advantages, and in many ways are a constructive development in the field of public borrowing, does not mean, however, that every political subdivision in the country should rush in blithely to finance all its revenue-producing undertakings through this medium, or that they should exhaust their ingenuity in making service charges grow from functions that have not produced this way in the past.

One very pertinent question which arises is that of what functions or undertakings are suitable for financing with revenue bonds. This can be answered generally—as those types of undertakings which lend themselves readily to operation on a service charge basis; which can be made sufficiently revenue-producing on this basis to cover full operation, maintenance, and debt service

costs; and which can be made to do so without violating any vital economic or social requirements of the community. In this category would normally fall those types of public service enterprise which experience, either under public or private operation, has demonstrated to have the potentialities for self-support. They include primarily water systems, light and power systems, gas plants, local transportation systems, toll bridges and traffic tunnels, stadiums, and possibly docks, public markets, auditoriums, and airports, as well as certain minor enterprises. Also in this classification there may be cautiously included new types of public undertakings which can be shown clearly to have the three qualifications cited. Probably the most unique among such new types already financed by revenue bonds is the American Museum of Natural History Planetarium Authority in New York.

Any listing of enterprises appropriate for revenue bond financing, however, must be tentative, and subject to the third qualification mentioned — that there must be no violence done to the vital economic and social requirements of the community. Such an eventuality may arise from either of two conditions.

Revenue bond financing, first, places the project in the strait-jacket of strictly self-supporting business. This may be a desirable objective, but on the other hand it may limit the project's adaptability to the general good of the community. Conditions arise where partial support from general taxation is essential to meet a community need. The U. S. Post Office Department is a familiar example, and locally it may be economically and socially advantageous to subsidize such undertakings as harbor facilities, an airport, a transportation system, or a housing project.

Secondly, when a function normally tax-supported is placed on a service charge basis, ostensibly with a view to

bringing relief to the payer of general property taxes, the result, instead of producing a more equitable revenue system, may tend quite to the contrary. Not only may it deviate too far from the principle of taxation according to ability to pay, but it may relieve certain economic beneficiaries from their proper financial responsibility.

There is serious doubt, for this reason, that sewer systems, for example, should be made self-supporting utilities, to be financed with revenue bonds. On the customary basis of charges determined by water bills the entire cost must be borne by the owners of improved property, while the speculative holder of unimproved real estate enjoys the resulting appreciation in the value of his holdings as a clear donation. This inequity can be corrected by a benefit or readiness to serve charge, but such is not the common practice.

WHEN REVENUE BONDS PREFERABLE

Taking up a second phase of the general problem, the fact that a public undertaking is economically suitable for revenue bond financing does not necessarily indicate that this method is preferable. Where borrowing powers permit, the logical choice of borrowing medium is that which will procure funds at the lowest cost to the community. If a municipality's general credit is weak it is probable that well secured revenue bonds will find a more favorable market than its general obligations. If credit standing is high, on the other hand, it is hardly to be expected that a limited obligation bond will find as ready acceptance as a full faith and credit obligation. More consideration should be given, as a matter of fact, to the financing of undertakings of known earning power with bonds which are secured both by the pledge of earnings and the full faith and credit of the municipality. There is no resulting charge to taxation in practice, and

money is saved through lower interest rates. It must be admitted, however, that under present laws municipalities often do not have a free choice of borrowing alternatives.

Turning to a third problem which arises in the use of revenue bonds, they are not justified as a subterfuge in avoidance of sound and reasonable borrowing limitations. When a community, by excessive and improvident borrowing, has approached or exceeded the limits of a generous borrowing power, it is entering dangerous territory when it turns a governmental enterprise into the semblance of a business enterprise in order to incur more debt. Some of the recent revenue bond issues for sewer systems have approached this classification.

PSEUDO-SELF-SUPPORTING UNDERTAKINGS

Equally to be questioned are the many ingenious devices being resorted to to circumvent constitutional limitations on borrowing through the issuance of revenue bonds for undertakings which cannot be justified as self-supporting enterprises, but must be the recipients of general tax funds in one way or another. These projects, most of them fostered by state governments, include libraries, college gymnasiums, nurses' homes, hospitals, and even state office buildings. While it is true that such projects may be productive of fees sufficient to meet debt service, in only rare instances will the fees also cover operation and maintenance costs. While some practical justification for these arrangements may be found in existing unreasonable restrictions on borrowing, the principle is unsound, the effect is obscurity rather than clarity in public fiscal operations, and this policy, if extended and elaborated, will result in a veritable maze of financial hocus-pocus.

One reason for this expression of skepticism is the lack of administrative

responsibility displayed by some of the governmental units which have fostered these pseudo-self-supporting undertakings. This shortcoming applies primarily, but not exclusively, to certain state governments. Because revenue bonds have been held by the courts not to constitute debt within the meaning of constitutional debt limitations, there is a tendency on the part of some public officials not to recognize them as public debt obligations at all. This is particularly true in the state field, where the bonds in question may have been issued by a state department or commission. In some instances not only are such bonds not mentioned in the general financial reports of the state, but the chief fiscal officers even profess a lack of knowledge of what obligations are outstanding.

This is giving effect to a fiction with a vengeance, for in a very concrete economic and financial sense debts have been created. If the projects involved require tax funds for operation and maintenance in order to release fees for debt service, the general budget is definitely affected. And if any considerable number of revenue-bond-financed projects in a given state or local area should collapse financially, the result might well be to influence adversely the general financial reputation and credit of that area. There is strong probability, moreover, that the average community is not going to abandon an undertaking which proves to be a failure financially, but will find itself in the position of bolstering it with general bonds and taxes.

Some protection against the issuance of revenue bonds of dubious security will be afforded by the critical attitude of the bond market, but there are always state sinking funds and teachers' retirement and other trust funds to be depended on if necessary—which raises another warning signal.

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The Need for Adequate Reporting of Debt

Given the pertinent facts regarding its own debt and similar information for other cities of the same size and economic position, a municipality is in a position to conduct its financial program both intelligently and economically.

C. E. RIGHTOR

Bureau of the Census

THERE exists now as never before in the field of local government the need for publicizing all the facts about public debt.

The vast amount of public securities outstanding today, with the diversity in agencies issuing debt paper, and in types of security, purposes, rates of interest, and values; the prospect of continued extension of borrowing, not only for ordinary public improvements but for new types of community projects and also for non-capital purposes; the cost to local government, and therefore to the taxpayers, of carrying debt obligations, and plans for financing interest and principal repayment until the liability is discharged; the creation of new governmental units authorized to incur debt; the relationship between the federal government and states and cities, and between states and their cities, in various phases of intergovernmental financing; steps to be taken to avoid default or other serious credit difficulties; the effect upon present and future debt of tax limitation, homestead and industrial tax exemption, and similar laws affecting revenues; the need for facts about the amount and nature of debt in drafting legislation relating to tax and debt limits; the supplying of data required by investment bankers to assure maximum prices for bond offerings; the

supplying of information to assist in determining eligibility of municipal securities for investment by institutions subject to regulation by federal or state agencies; the possible effects of removal of tax exemption of governmental securities upon their marketability and price—these are among the factors dictating the desirability of adequate reporting of debt by our states and cities.

Public debt constituted no problem in our local governments until recent years; a city's debt was relatively within bounds and debt charges were met ordinarily without cramping revenues available for operation and maintenance. The expansion in the uses of public credit during the past decade or more, however, has resulted in taking larger sums for debt service. At the same time expenditures have substantially increased due to expansion of the usual services and conduct of new departmental activities, which also have required additional current revenues. On the other hand, municipalities commonly have been through a period of curtailed revenues, and the fixed demands of debt service have created a serious financial problem in many instances. The conflict may be a continuing one for some municipalities until revenues are increased or debt reduced.

Expansion in public debt is evident

from a casual examination of the figures. According to the decennial report of the Bureau of the Census for 1932, the net debt of the national, state, and local governments was \$4,850,000,000 in 1912, which had grown to \$39,411,000,000 in 1932. The figures, by major divisions for the two periods, follow:

	<i>(Expressed in thousands)</i>	
	1912	1932
National government	\$1,028,564	\$21,834,565
States	345,942	2,360,958
Counties	371,528	2,390,830
Cities, towns, villages, and boroughs with a population of 2,500 and over	2,762,469	8,445,800
All other civil divi- sions including cities, towns, etc., under 2,500 population	341,957	4,379,251
Total	\$4,850,460	\$39,411,404

Complete coverage of all units of government has not been made by the Bureau of the Census since 1932, but data for cities over 100,000 population are referred to subsequently. The report of the Secretary of the Treasury for the fiscal year ended June 30, 1937, reported a gross public debt as at that date of \$35,803,000,000 for the national government, and \$19,152,000,000 for state and local governments.¹ This means in the aggregate a per capita debt of approximately \$425, of which \$277 is for the national debt and the remainder state and local.

It should be borne in mind, in considering the term "debt"—as also other fiscal terms in a statistical compilation—that the term is subject to precise definition. What is "gross debt"? Does

it include only tax-supported debt, or also public-service enterprise debt? Does it include revenue bonds? Authority bonds? Special assessment bonds, both general and special liability? Both long term and short term; interest and non-interest bearing; tax exempt and non-tax exempt? Debt, the service charges on which are financed by other units of government by agreement? Definition of the term, however, is not essential to this brief discussion.

Turning to a more limited coverage, in the Bureau of the Census report, *Financial Statistics of Cities*, there is available from 1931 to 1936 statistical material on the debt of 94 cities having a population of over 100,000, which, with some revision, may be carried back for several more years.² These cities comprise nearly 30 per cent of the total population of the nation. A computation discloses that in 1932, the year of the bureau's decennial inquiry, the net debt (gross less sinking funds) of these cities comprised 42 per cent of the total net debt of all state and local governments. The story of the indebtedness of these cities, therefore, as to amount, nature, and trend, assumes much significance in considering the problem on a nation-wide scale. This report shows that the total funded debt less sinking funds of these cities increased gradually during the decade 1926 to 1936 from \$4,305,000,000 to \$6,332,000,000, or from \$128 to \$168 per capita.

FAST INCREASE IN DEBT

The figures given indicate broadly the growth in debt of the national govern-

¹Secretary's report, p. 466. The total is exclusive of \$146,000,000 debt of territories and insular possessions, and of over \$10,000,000,000 of obligations of governmental corporations and credit agencies guaranteed both as to principal and interest by the United States, as follows: Federal Farm Loan System, \$3,650,000,000; Federal Home System, \$3,037,000,000; and RFC, \$3,860,000,000.

²The bureau, in this report, includes the finances not only of the city corporation but also all independent units substantially coterminous with the city, and, for cities over 300,000 population having an independent county government, a portion of the county's finances, the portion included being that represented by the ratio of assessed valuation of the city to that of the independent county or other unit.

ment and of state and local governments during the past two and one-half decades. This expansion in public credit was not achieved in any one year, but has been a continuing process.³ In general, it is found that per capita debt tends to increase with the size of the city and with time.

So large and diversified is the amount of outstanding securities today that adequate reporting is essential to the interest of the debtor communities, their citizens and taxpayers, and the investing public. Not so many years ago it was difficult to find many sources of information about municipal debt in our country. The bureau report, with its coverage of all cities over 30,000 population, gave certain essential facts and indicated the trend of municipal debt, but the lateness of its publication impaired its utility. Other sources were very limited. To promote interest in the subject, the NATIONAL MUNICIPAL REVIEW in 1923 began the series entitled "Comparative Bonded Debt of Cities," presenting in concise and current form the basic data for each city. With the growth of indebtedness, however, the mediums of publicity have multiplied. This is but natural, owing to the widespread effect of public borrowing. The annual financial reports of cities and other local units have increased in number and more statistical information about debt is covered by them. These reports are augmented by those of state agencies supervising municipalities and of numerous non-official agencies on various phases of the problem. While this development in official reporting is recognized, it remains true that there is need for further improvement in this field.

³Federal gross debt rose abruptly from slightly over one billion dollars in years prior to wartime financing to almost \$27,000,000,000 in 1919, declined to about \$16,000,000,000 by 1930, and has risen steadily since; State and local gross debt rose gradually from \$4,500,000,000 in 1913 to \$19,600,000,000 in 1932, and since has remained about stationary.

And, it may be added, the task of reporting grows more complex from year to year because of the expansion in the application of public credit.

The patent economic fact of the relation of debt to increased tax load, however, has not deterred states and cities from indulging in the practice of borrowing. Nor is it intended herein to condemn borrowing as an unsound economic principle. There is sound borrowing, and ample texts and treatises set forth the elements and policies, but also point out the pitfalls.⁴ It is here desired only to indicate in general terms the amount and trend of public debt as evidence of the advisability of awareness of the problem.

The subject of municipal debt can no longer be reported adequately for the city government alone—it must be treated as a community problem. The organization of local government is very diversified, and in order to have a comprehensive debt picture it is essential to have a report of all overlying units, including independent school, park, port, sanitary, and other districts. Recent years have seen the development of authorities, and their exercise of debt-incurring powers should be included. The amount of debt of all units should be classified by type of security, maturity, and interest rate. The type will state whether the obligation is tax supported, public service enterprise, revenue (which is a non-tax-liability), or special assessment; whether long- or short-term,

⁴Examples are the following: *Controlling Local Indebtedness*, Chamber of Commerce of the United States, Washington, D. C., June 1937; *The Municipal Debt Load in 1935*, Frederick L. Bird, Municipal Service Department, Dun and Bradstreet, Inc., New York, N. Y.; *Municipal Bonds*, A. M. Hillhouse, Prentice-Hall Inc., New York, 1936; *Reports of Committee on Municipal Debt Administration*, Municipal Finance Officers' Association, Chicago, 1935 through 1937; On state debt is the following: *Resources and Debts of the 48 States*, Edna Trull, Municipal Service Department, Dun and Bradstreet, Inc., 1937.

and if the former, whether serial or term bonds.⁵

PURPOSES OF DEBT

The purposes of issue are of much interest—whether for the usual type of non-revenue-producing facilities as schools, highways, sewers, and public buildings, or revenue-producing enterprises as utilities; whether for new types of community undertakings, as housing, slum clearance, and work and home relief; or for income-producing facilities as airports, auditoriums, dormitories, and the like; and whether for refunding or funding operations. The bureau report for 94 cities shows that the gross debt including special assessment, for five-year intervals from 1926 to 1936, was issued for the following major purposes:

<i>Purpose</i>	<i>(Expressed in thousands)</i>		
	1926	1931	1936
Total	\$6,198,793	\$7,621,250	\$7,665,198
General government properties	71,356	162,904	146,542
Police and fire departments	53,351	84,030	75,522
Sewers and sewage disposal	469,891	650,810	674,554
Highways	720,050	1,163,850	910,883
Charities, hospitals, and corrections	77,685	170,856	297,074
Schools	743,249	1,286,909	1,200,073
Libraries, art galleries, and museums	39,651	67,378	42,262
Parks and playgrounds	195,607	325,005	301,144
Miscellaneous and combined and unreported	491,202	1,015,316	1,193,309
Public service enterprises	1,071,372	2,694,191	2,823,835

*Includes \$2,265,380,000 not shown in detail.

It is desirable to place in the record the legal limits established for various purposes for which debt may be incurred, the amount of debt outstanding within each such limit, and the amount existing outside the limits; also the margin remaining for further borrowing with these limits, and the unappropriated commitments against them. With the shrinkage in taxable valuations that

took place during the depression, many cities found it impossible to issue bonds that had been authorized, even by popular vote, at an earlier date. Furthermore, recent legislation establishing tax limits and various types of tax exemption has a definitely restrictive effect upon municipal borrowing, and these facts should be publicized.

The debt history of the city is an essential part of its credit rating, and should be set forth in its report. Adequate credit ratings of the hundred thousand local units of government having the power to incur debt are obviously lacking today, but certain minimum requirements for determining eligibility of their securities for investment by sinking, pension, postal savings, and other supervised funds, may be indi-

cated, at least for the larger units.

It is necessary to recognize that public indebtedness does not stand as an isolated subject; it is closely associated with community wealth and income. Turning briefly to its economic significance, consideration should be given to reporting the relation of tax-supported debt to taxable valuation, which will be called upon to pay interest and principal installments, and to the proportion of the current budget required for debt service. The relationship existing between the amount of net debt and cer-

⁵The form "Report on Finances" of the Investment Bankers Association of America, developed in cooperation with the Municipal Finance Officers' Association, includes many of these and other relevant items.

tain indices of the social and economic structure of the community should be reported as a gauge of the ability of the municipality to bear its over-all debt without undue strain.

With a report comprising these and other pertinent facts about its own debt,

and with comparative information available for other cities of similar size and economic position, a municipality will be enabled to adopt sound fiscal policies and controls and to conduct its financial program both intelligently and economically.

PROBLEM OF REVENUE BONDS

(Continued from Page 308)

The point of all this is—we appear to be entering rapidly a great complication of public borrowing activities, with hopefulness that it has compensating features. But the procedure must be kept out in the open, not stultified by an ostrich attitude that no debt has been created. Public records and reporting of revenue bonds, and the enterprises they finance, not only need to be complete in coverage, but adapted to the business quality of the undertakings. And with revenue bonds placing emphasis on the self-sustaining aspects of operation, there is more than ever the need for intelligent and understanding state standardization and supervision of the financial records and policies of the public service enterprises of local units of government. We have had some unpleasant experiences with another type of limited or contingent debt obligation—special assessment bonds. They met, theoretically, a crying need in the financing of public improvements; but we have had ample evidence of the confusion which can result from the lack of proper control. It would be equally unfortunate if the usefulness of revenue bonds were vitiated for similar reasons.

Within the field of legitimate use much needs to be done to secure for revenue bonds a full recognition of their merits as investments. This is vital for the cost of capital financing. They are not yet widely known or understood among investors; and honest, intelligent, and consistent publicity is not only demanded by the nature of the securities issued, but will produce dividends in

the form of interest rates commensurate with the financial quality of the project. A new enterprise calls for expert engineering, financial, and legal reports, as well as brief popular digests of these reports, before bonds are offered for sale. In the instance of going concerns, annual audits and more frequent financial summaries are essential for the maintenance of confidence and credit. And the set-up of each bond issue requires a special technique, quite different from the ordinary general obligation bond, to give it the marketability to which it is intrinsically entitled.

Turning again, by way of summary, to the significant general aspects of the subject—revenue bonds, if employed with discretion and with an intelligent regard to their limitations, can become a permanently important factor in public borrowing and a useful adjunct to the effective expansion of public services. They can readily, on the other hand, not only be discredited, but be made to reflect discredit on the issuing public agencies. Designed to finance public enterprises operated on a self-supporting business basis, they throw the spotlight of publicity on the capacity of state and local governments to function with businesslike efficiency. They can serve to increase confidence in public institutions, and to weaken confidence in public institutions. The trend is already running in both directions. Their increasing use, partly for evasion of existing general borrowing limitations, emphasizes more than ever the need for a complete overhauling of our presently defective system of public borrowing control.

The Call Feature in Municipal Bonds¹

Callable bonds, while permitting a more flexible debt structure, require careful administration in order that savings may actually be secured by their use.

CARL H. CHATTERS

Municipal Finance Officers' Association of the United States and Canada

INTEREST rates on municipal bonds are still comparatively low. Because of this officials are asking the question, "Why cannot we refund our outstanding bonds which have coupon rates of 4, 5, or 6 per cent into new bonds bearing 2 or 3 per cent?" The answer is quite simple. When the original bonds were issued they were given a stated maturity and it is not possible legally to require the holder to surrender them prior to that date. It is true that some few cities had provided that their bonds be callable or optional; that is to say, under certain conditions the municipal body would have the authority to redeem them prior to the stated maturity date.

It would seem, offhand, that perhaps all municipal bonds should be callable, thus providing for a reduction of interest as rates dropped from time to time. Investors who purchase bonds to yield 5 per cent for a given number of years, however, want to be certain that they will continue to earn that rate for the period specified. Furthermore, if a bond sells at a high premium it would be unfair to tell the holder that the interest rate may be arbitrarily reduced. That would mean in simple terms that the value of the bond had been drastically cut without any compensation.

A twenty-year bond with a 5 per cent coupon rate, for instance, would be worth \$1,299.20 if it were sold to yield 3 per cent. If the purchaser knew that the bond could be called, thus reducing the interest rate, he would not pay that price for it. He would pay a price much nearer to par. If the bonds are callable or optional, then the issuing body may call them for payment at some specified time and issue new bonds in place thereof if interest rates have declined in the meantime. It is necessary, therefore, to investigate the uses, value, and limitations of the call feature in municipal bonds.

It is true that the use of the call feature in government obligations is not an experiment. The United States government, many foreign governments, as well as state and local bodies, have made extensive use of this type of obligation. Municipalities have used this type of bond less than other public bodies. For instance, during the seventeen-year period from 1920 to 1936 inclusive, only 5.2 per cent of all American municipal issues contained the callable feature. Likewise, the call feature has been more extensively used in private than in corporate financing. Perhaps this has been true because corporate bonds are usually callable at a premium and are usually term bonds.

SAVINGS MISUNDERSTOOD

Many cities exercised the call privileges in their securities during the period from 1934 to 1937 and permanently re-

¹The material for this article has been taken from a recent report of the Committee on Municipal Debt Administration of the Municipal Finance Officers' Association entitled *The Call Feature in Municipal Bonds*. It is a bound book of 118 pages, available through the association at the listed price of \$1.50.

retired their bonds or refunded with substantially lower interest rates. This does not mean that the replacement of a 5 per cent bond with a 4 per cent bond was always a net saving of 1 per cent. It is quite possible that the issuing municipality paid a higher rate of interest at the time the bonds were issued because it had placed the optional feature in its bonds. In other words, the 4 per cent bond which may have been outstanding for ten years might have been issued at an interest rate of 3.90 per cent if it had not been callable. Consequently, in each case there is necessity for determining not only the gross saving that may be made, but also the net saving when the added initial interest cost is considered. An intensive investigation of callable bonds issued from 1920 to 1929 seems to indicate that the additional interest rate necessitated by the use of the callable feature was about one-eighth of 1 per cent per annum. This can be partially offset by the insertion of a premium offer if and when the bonds are called. Then in case the bonds are not called there needs to be no added interest cost.

WHEN TO USE

Callable bonds can be used to best advantage when interest rates are high and certainly during several periods in the past two decades could have been used to advantage. At the present time when interest rates are still abnormally low there is little use in selling callable bonds except for particular purposes which will be specified later. Certainly, if there is doubt as to whether or not the call provision should be used, bids can be requested on both a callable and non-callable basis and the final award made after considering whether or not the added interest cost, if any, is justified. Callable bonds are most generally justified when a municipality in default is forced to refund its debt by an exchange of bonds with its credi-

tors. Under such conditions no one knows when the ability to pay will improve. It is desired to extinguish the debt as soon as possible. This can best be done if the bonds are made callable, usually from a sinking fund which must be exhausted by asking for tenders of bonds at a discount. It can also be accomplished by calling by lot or number an amount of bonds represented by the value of the sinking fund.

It seems quite likely also that the callable bond should receive more general use in special assessment financing. Here it is not known exactly when the assessments will be paid. The assets pledged for their payment are very limited and bonds can be retired only as the assessments are paid. On the other hand, many people pay special assessments in advance of the due date. The call feature permits the proper handling of the payments in either case. It prevents the payment of interest which cannot be collected by the city and also makes default less probable if payments are slow.

Utility financing frequently requires the use of callable bonds. A new plant may not reach its maximum earning capacity for several years after it starts operation. Perhaps no bonds can be paid during the early years, or it may not be possible to determine exactly the rate at which the debt can be retired from earnings. Thus at least a part of the debt may well be outstanding in the form of bonds which can be paid as earnings are realized.

ABOLISH SERIALS?

The question has been raised whether or not callable bonds can be used without abolishing the tendency toward the more extended use of serial bonds. Most callable bonds in the past have been term bonds. Two things can be done, however, to permit the use of callable bonds and still continue the use of serial bonds. The issue may provide that

none of the bonds shall be callable for a specific period of five years, ten years, or some other date. Or a proposed issue may be divided into two parts: one consisting of serial bonds for the first ten or fifteen years, and the other consisting of bonds bearing a fixed maturity of twenty or thirty years callable after ten or fifteen years. In this way the principle of serial bonds will be retained; at the same time the use of callables may be more practical.

The use of callable or optional bonds is limited by investor and dealer opposition, by the absence of laws permitting their issuance, and by failure to administer properly in the past the laws pertaining to this type of obligation. The dealer and investor opposition can be met to some extent by calling bonds at a premium and by giving adequate

notice when bonds are to be called. The premium should in part compensate the investor for the uncertainty as to the life of his investment and the rate at which it will earn.

Callable bonds cannot be considered an unmixed blessing. They have their advantages and disadvantages. They permit a more flexible debt structure for a municipality. They do require very careful administration. Savings have been made by their use; increased cost can be brought about by their improper sale. Callable bonds, then, provide a device by which municipalities at certain times and under certain conditions may plan a debt structure more flexible and save interest costs. On the other hand, the improper use of the obligation may be detrimental to those most interested in municipal credit.

CONSTITUTIONAL LIMITATION

(Continued from Page 303)

limit. It is proposed, therefore, that the tax limit be liberalized in one of two ways: either the levies for capital outlays should be exempted from the tax limit in the same manner as the debt service, or else an over-all tax limit of 3 per cent or more, applicable to operating expenses, capital outlays, and debt service should be substituted for the present tax limit. The tax rate now in effect in most of the cities subject to the constitutional tax limit already amounts to 3 per cent or more.

A very important proposal before the convention would exempt from the debt limit a specified amount (\$300,000,000 or thereabout) of bonds to be issued for the acquisition of properties of the private rapid transit companies in New York City. The entire program of unification of the city's transit lines under the city's ownership and management, which has been under discussion for years, depends on the adoption of this amendment.

Under several proposals an over-all debt limit, with separate debt limits for various classes of government, would be established. The debt limit for counties would be reduced from 10 per cent of assessed valuation to 5 or even 3 per cent. It is apparent that a 10 per cent debt limit for county debts is excessive. Out of fifty-eight counties of the state in only two or three the county debt is in excess of 5 per cent of the assessed valuation. The practicability of an over-all debt limit is being seriously questioned by certain groups.

A great many other proposals for changes in the constitutional provisions affecting state and municipal credit have been introduced in the convention. The constitutional convention committee which prepared the essential materials for the convention's work, surveyed in its volume on *Problems of Taxation and Finance* (volume X in the series) more than twenty constitutional proposals of major importance in the field of state and local indebtedness. Many of these proposals have great merit.

Immediate Future of Municipal Credit

Subnormal supply and comparative safety of local government bonds keep market at high level.

SANDERS SHANKS, JR.
Editor of "The Bond Buyer"

WITH municipal bonds selling at historic highs, it must be assumed that the consensus of opinion among investors, who dictate the price level, is that the demand for such securities is expected to exceed the supply for some time to come. But it is obvious that when a long-term bond sells at a price to yield something like $2\frac{1}{2}$ per cent, it can move but little higher. On the other hand, it could decline many points before its yield could be considered generous when judged by normal money market standards.

In short, the current aspect of the bond market is shot through with artificiality and it would be reckless, to say the least, to attempt to predict how much longer the props which have been holding prices up will be allowed to remain in position. Perhaps if we could foresee the outcome of the national elections in 1940, we might be in a better position to judge the long-term bond market trend.

Aside from the ease in the money market resulting from the government's adherence to a policy of easy credit, municipals have been and are still selling in a market free, to an extreme degree, from competition with other classes of securities. Corporate borrowing through bond and stock issues has fallen off sharply, while in the field of mortgage investment, government funds have been used where normally mortgage loans furnish a major outlet for private investment funds.

On the supply side we find municipal-

ities close to their legal debt limits and hence forced to curtail debt-incurring programs. These limits are usually based upon total taxable property values. Shrinkage in such values has reduced, or entirely wiped out, debt margins and unless we experience substantial increases in taxable values, many prospective borrowers will be confronted with legal obstacles preventing the addition of new indebtedness to now outstanding debts. Bearing on this same question is the attitude of the local taxpayer. As evidenced by the results of bond elections in recent years, voters are reluctant to approve borrowing proposals, appreciating the fact that they involve increased taxation to service the new obligations.

Relief expenditures are again increasing, but it is likely that local governments will continue to place the financing of such expense more and more on a pay-as-you-go basis, recognizing it as a permanent annual budgetary charge to be met out of current regular or special emergency taxes, rather than through the proceeds of bond issues. It must also be kept in mind that the federal government is continuing its policy of bearing a large share of the relief burden which would otherwise fall upon state and city treasuries.

In considering supply, another most important fact and one frequently overlooked must be considered. That is the constant absorption of state and local bonds by public trust funds. For example, a few moments' investigation not

long ago disclosed that in the New Jersey state government there are thirteen such funds and, on June 30, 1937, they held securities of the state and its municipalities aggregating over \$160,000,000. One of these trusts, the Teachers Pension and Annuity Fund, held assets, mostly New Jersey school bonds, having a value of about \$65,000,000. A more or less similar condition will be found to exist in other states. In fact, a recent estimate published by the secretary of the treasury indicates that of \$19,152,000,000 state and local securities outstanding, no less than \$4,298,000,000 were held by the United States government, federal trust funds and agencies, and state and local trust, investment and sinking funds. It seems appropriate to inquire how long it will be before such funds, together with private fiduciaries, will have absorbed substantially all outstanding state and local debt.

A possible source of supply of several hundred millions of additional bonds is the PWA and the RFC. Those agencies still hold bonds in their portfolios which, theoretically, will some day be liquidated. It is probably a reasonable assumption, however, that such liquidation will be so gradual as to have little or no effect marketwise.

At the moment, it looks as though those federal agencies will be more potent factors as buyers than as sellers of municipals due to the inauguration of new pump-priming operations.

Now that President Roosevelt has seen fit to devote a special message to Congress on the subject, it seems probable that some definite steps will be taken to eliminate tax exemption of federal, state, and municipal bonds.

Should something develop along these lines, the market might be seriously affected, but whether it would be influenced favorably or unfavorably depends upon the way in which the attempted attack on tax-exempts is handled. The President's recommendation is that Congress simply enact a law imposing the income tax on future issues. At first glance, that looks like a bull argument for bonds already outstanding. But a moment's consideration of the fundamental basis for federal tax exemption of local government securities inevitably leads to the conclusion that, if the President's proposal to tax future issues is legally sound, then Congress has the power to tax all outstanding issues. No investor, we assume, would be inclined to place much value upon the tax-exemption privilege now enjoyed by outstanding bonds once it was made clear to Congress that it could at any time extend the income tax to such securities.

It is not generally expected, however, that Congress will ignore the long line of court decisions which deny Congress the power to tax state and local bonds, and, hence, the ultimate move against tax-exempts is more likely to take the form of a proposed constitutional amendment which, in specific terms, will protect the exempt status of outstanding bonds. As a market factor, the outlook for any change in the tax-exempt status of such bonds is at this time too remote to have any measurable influence.

Looking at the immediate future, municipal bond prices appear not to be subject to any great price fluctuations. Technically, the situation is well protected by a subnormal supply and a prospective continuation of that condition for some months to come.

The Bonded Debt of 286 Cities as at January 1, 1938

Bonded debt continues downward trend of last few years except in smallest cities where slight increase occurred.

ROSINA MOHAUPT

Detroit Bureau of Governmental Research, Inc.

FROM averages computed for the 269 American cities reporting their bonded debt as of January 1, 1938, the total gross bonded debt of the 310 American cities over 30,000 population is estimated at \$8,334,000,000. Although comparative figures show that the gross debt of cities reporting in both 1937 and 1938 has gone down, the 1938 estimate is higher than that for 1937. This may be attributed to the fact that many of the cities which reported this year but not in 1937 show higher than average gross debt and thus bring up the total.

This year, as in the past, questionnaires were sent to the 310 American cities and 18 Canadian cities over 30,000 population. Two hundred and eighty-six cities responded—of these 15 were Canadian and 271 American. Washington, D. C., which due to its political character has no bonded debt, and Berwyn, Illinois, which sent in only a partial report, were eliminated from the 271 cities, leaving 269 American cities upon which estimates and computations are based. Honolulu, Hawaii, is included in the compilation for the first time this year, but is excluded in all comparisons since figures for previous years are not on record. Canadian cities, although shown in the tabulation, are not included in the comparative tables. The cities are shown grouped together according to population as reported in the 1930

United States census. The 1930 census figures are also used in computing per capita bonded debt, since satisfactory estimates of population as of the present date are not available.

In computing averages, Washington, D. C., is excluded since it has no debt and the averages of group II cities would appear unduly low unless this were done. As in the past, this compilation, which is the sixteenth annual tabulation, is made possible through the generous co-operation of public officials and other public agencies in the various cities reporting.

Comparisons of 1937 and 1938 figures have little significance unless they are put on a comparable basis. For this reason, only the cities reporting in both 1937 and 1938 are used in the tabulations shown below. This eliminates 26 cities which did not report in 1937.

"Net bonded debt less self-supporting" is obtained by deducting all sinking funds and self-supporting utilities from the gross bonded debt.

Tables I and II show the same data, but in Table II the information is put on a per capita basis. A rather marked decrease in both gross bonded debt and net bonded debt excluding self-supporting is apparent. This decrease shows up in the total debt of all cities as a whole and in all but group V cities. Group V cities, with populations from 30,000 to 50,000, show increases in both

TABLE I
COMPARISON OF TOTAL GROSS AND NET BONDED DEBT
243 COMPARABLE AMERICAN CITIES—1937 AND 1938
(in thousand dollars)

Group	Gross Bonded Debt		Net Bonded Debt Less Self-Supporting	
	1937	1938	1937	1938
I	\$2,677,344	\$2,647,844	\$1,802,009	\$1,755,198
II	742,480	732,901	504,931	505,025
III	1,381,707	1,368,283	967,812	951,770
IV	506,482	499,639	394,850	388,727
V	291,777	293,123	226,818	228,547
Total	\$5,599,790	\$5,541,790	\$3,896,420	\$3,829,267

TABLE II
COMPARISON OF PER CAPITA GROSS AND NET DEBT
243 COMPARABLE AMERICAN CITIES—1937 AND 1938

Group	Population	Gross Bonded Debt		Net Bonded Debt Less Self-Supporting	
		1937	1938	1937	1938
I	13,898,096	\$192.64	\$190.52	\$129.66	\$126.29
II	4,200,512	176.76	174.48	120.21	120.23
III	10,595,009	130.41	129.14	91.35	89.83
IV	4,621,442	109.59	108.11	85.44	84.11
V	3,289,873	88.69	89.10	68.94	69.47
Total	36,604,932	152.98	151.39	106.45	104.61

gross bonded debt and net bonded debt excluding self-supporting. This upward trend was apparent last year when group V cities showed an increase of seventy cents per capita in net debt less self-supporting. The downward trend of the group I, III, and IV cities is also a continuation of last year's trend. While there is a pronounced decrease in the gross debt of group II cities, net debt excluding self-supporting remains the same. This is due to decreased sinking funds in some of the cities in this group. Table III brings out the fact that except

for minor variations, downward trends indicated by a comparison of the 1936 and 1937 tabulations continue downward in the 1937-38 comparison and upward trends continue upward. The upward trends, however, are decreasing in rate, whereas the downward trends are becoming more pronounced. In other words, the downward trend has become intensified this year. Starting with a decrease of five cents per capita net debt excluding self-supporting from 1935 to 1936 the 1936-37 decrease became \$1.27, and the 1937-38 decrease becomes \$1.84.

TABLE III
COMPARISON OF 1936-37 AND 1937-38 PER CAPITA GROSS AND
NET BONDED DEBT EXCLUDING SELF-SUPPORTING
INCREASES AND DECREASES

Group	Gross Bonded Debt				Net Debt Less Self-Supporting			
	1936 and 1937		1937 and 1938		1936 and 1937		1937 and 1938	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
I	\$2.35			\$2.12		\$2.14		\$3.37
II		\$1.77		2.28		1.42	\$.02	
III		.34		1.27		1.08		1.52
IV		1.07		1.48		.35		1.33
V		.71	\$.41		\$.70		.53	
Total	.40			1.59		1.27		1.84

TABLE IV
CHANGES IN GROSS AND NET DEBT
243 COMPARABLE AMERICAN CITIES—1937 AND 1938

Group	Gross Bonded Debt			Net Debt Less Self-Supporting		
	Increase	Decrease	Same	Increase	Decrease	Same
I	4	8	0	1	11	0
II	4	6	1	4	6	1
III	21	42	3	19	42	5
IV	13	46	10	14	45	10
V	18	54	13	21	53	11
Total	60	156	27	59	157	27

TABLE V
RANGE OF PER CAPITA NET DEBT LESS SELF-SUPPORTING
269 AMERICAN CITIES REPORTING IN 1938

Group	Highest	Lowest
I	New York City	\$224.18
II	Newark, N. J.	211.37
III	Miami, Fla.	315.83
IV	Atlantic City, N. J.	389.07
V	White Plains, N. Y.	340.30
	Milwaukee, Wis.	\$75.23
	Seattle, Wash.	59.99
	Fort Wayne, Ind.	22.90
	Springfield, Ill.	7.03
	Danville, Ill.	13.52

TABLE VI
COMPARISON OF TOTAL GROSS AND NET BONDED DEBT
179 COMPARABLE AMERICAN CITIES REPORTING IN 1930, 1937, AND 1938
(in thousand dollars)

Group	Gross Bonded Debt			Net Bonded Debt Less Self-Supporting		
	1930	1937	1938	1930	1937	1938
I	\$2,235,601	\$2,677,344	\$2,647,844	\$1,547,755	\$1,802,009	\$1,755,198
II	622,793	665,424	656,161	380,923	481,648	483,093
III	1,035,579	1,147,548	1,135,232	745,272	816,949	802,126
IV	366,230	392,918	383,212	279,927	303,362	295,460
V	170,952	169,164	175,015	125,463	128,884	135,956
Total	4,431,155	5,052,398	4,997,464	3,079,340	3,532,852	3,471,833

TABLE VII
COMPARISON OF PER CAPITA GROSS AND NET DEBT
179 COMPARABLE AMERICAN CITIES REPORTING IN 1930, 1937, AND 1938

Group	Population	Gross Bonded Debt			Net Bonded Debt Less Self-Supporting		
		1930	1937	1938	1930	1937	1938
I	13,898,096	\$160.86	\$192.64	\$190.52	\$111.36	\$129.66	\$126.29
II	3,834,929	162.40	173.52	171.10	99.33	125.60	125.97
III	8,828,599	117.30	129.98	128.59	84.42	92.53	90.86
IV	3,415,113	107.24	115.05	112.21	81.97	88.83	86.52
V	2,017,881	84.72	83.83	86.73	62.18	63.87	67.38
Total	31,994,618	138.50	157.91	156.20	96.25	110.42	108.51

The decrease in bonded debt is further brought out by table IV which indicates the number of cities which showed increased debt, the number which showed decreased debt and the number where the debt stayed substantially the same. Of the 243 cities reporting in both 1937 and 1938, 156, or

64 per cent, showed decreases in both gross bonded debt and net bonded debt less self-supporting; 59, or 24 per cent, showed increases; and 27, or 11 per cent, showed debt remaining substantially the same. In other words, only 24 per cent of the cities reporting in both

(Continued on Page 330)

(See following pages for tabulation)

BONDED DEBT OF 286 CITIES AS AT JANUARY 1, 1938

Compiled by the Detroit Bureau of Governmental Research, Inc.
From Data Furnished by Members of the Governmental Research Association, City Officials, and Chambers of Commerce

GROSS BONDED DEBT				SINKING FUND			NET BONDED DEBT			Total Special Assessments, General Obligation					
Census 1930	General Improvement	Public Schools	Public Utilities	Total	Gen'l Im- provement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-sup- porting S.S.		Per Capita Exclud- ing S.S.	Total Gross Special Assessments			
Group I															
Population 500,000 and over															
1 New York, N. Y. ¹	6,930,446	700,810,660	347,358,047	1,332,253,317	2,380,422,024	472,325,737	48	13	52	1,908,096,287	1,553,690,293	224.18	\$ 99,320,000	99,320,000	1
2 Chicago, Ill. ²	3,376,438	332,527,917	37,138,500	4,130,000	373,796,417	22,639,335	87	18	..	351,157,082	351,157,082	104.00	N	18,169,890	2
3 Philadelphia, Pa. ³	1,950,961	545,079,500	70,361,000	..	615,440,500	171,765,131	82	9	..	443,675,369	383,675,369	196.66	N	966,000	3
4 Detroit, Mich. ⁴	1,568,662	181,911,157	70,790,682	127,175,739	379,877,578	16,159,443	9	N	91	363,718,135	272,991,125	174.03	966,000	966,000	4
5 Los Angeles, Cal. ⁵	1,238,948	54,148,343	58,655,098	211,654,341	324,457,782	2,257,457	53	4	43	322,200,325	121,744,691	98.34	8,808,351	8,808,351	5
6 Cleveland, Ohio	900,429	80,317,696	11,231,500	26,038,000	117,587,196	8,084,616	53	4	100	109,502,580	86,926,001	96.54	3,365,824	3,365,824	6
7 St. Louis, Mo.	821,960	75,990,000	3,533,000	7,407,000	86,930,000	3,748,669	61	38	1	83,181,331	75,779,220	92.19	N	N	7
8 Baltimore, Md.	804,874	111,083,337	24,292,311	50,246,932	185,624,580	32,446,608	81	4	15	153,177,972	107,927,652	134.09	N	N	8
9 Boston, Mass. ⁹	781,188	69,062,133	8,282,000	75,551,700	152,895,833	23,211,813	35	10	55	129,684,020	66,830,878	85.55	974,068	974,068	9
10 Pittsburgh, Pa.	669,817	54,085,400	22,149,040	5,680,000	81,915,040	7,808,785	65	27	8	74,106,255	89,035,658	103.07	929,000	929,000	10
11 San Francisco, Cal. ¹¹	634,394	37,329,700	11,875,000	111,604,000	160,808,700	N	N	..	..	160,808,700	81,156,700	127.93	..	..	11
12 Milwaukee, Wis. ¹²	578,249	42,107,896	6,357,500	3,044,000	51,509,396	5,157,312	81	15	4	46,342,084	43,501,084	75.23	..	..	12
13 Buffalo, N. Y.	573,076	83,034,804	16,341,750	17,623,929	117,000,483	10,023,686	49	..	51	106,976,797	94,471,947	164.85	143,250	143,250	13
Group II															
Population 300,000 to 500,000															
14 Washington, D. C.	486,869	No Bonded Debt	..	..	..	..	..	..	..	..	..	..	..	..	14
15 Minneapolis, Minn.	464,356	34,488,623	17,542,924	10,390,000	62,421,547	3,692,021	54	33	13	58,729,526	55,661,796	119.87	6,436,711	1,755,047	15
16 New Orleans, La. ¹⁶	458,762	47,140,000	6,334,000	3,500,000	56,974,000	N	..	..	..	56,974,000	53,474,000	116.56	4,647,620	4,647,620	16
17 Cincinnati, Ohio ¹⁷	451,160	39,719,371	12,986,000	38,990,639	91,096,010	28,562,668	36	9	55	62,533,342	33,526,756	74.31	2,965,996	2,965,996	17
18 Newark, N. J. ¹⁸	442,337	87,840,611	18,457,200	21,330,000	127,627,811	17,520,842	49	32	19	110,106,969	93,495,576	211.37	..	..	18
19 Kansas City, Mo. ¹⁹	399,746	27,815,000	19,971,000	14,013,000	61,799,000	4,338,200	6	94	..	57,460,800	57,460,800	143.74	495,293	495,293	19

*=Estimated.

¹New York City. General debt includes \$99,320,000 special assessment and \$48,700,000 work relief bonds. The water bonds, 6.6% of rapid transit and 35.7% of dock bonds are self-supporting. Although revenues of docks will provide debt service for 50% of dock bonds, the Supreme Court has set the lower figure as the legal amount of self-supporting bonds.

²Chicago. General debt includes \$109,149,700 park bonds and \$110,819,217 sanitary district bonds, which is 84.4% of total debt of district of which \$17,486,743 had been re-funded; county debt of \$37,922,410 and \$13,746,750 forest preserve district debt not included, although 83% of taxable values of county and forest preserve district are in Chicago. Sinking funds represent total cash and securities available for principal payments (interest payments deducted).

³Philadelphia. General debt includes utility debt with self-supporting debt estimated at \$60,000,000. There has been no county debt since the consolidation of the city and county in 1854.

⁴Detroit. Utility debt includes \$3,300,000 sewage disposal bonds sold to W.P.A.

⁵Los Angeles. General debt includes \$17,393,481 flood control based on proportion of taxable values within the city. School bonds are issued by county with city's prorated share shown. City's portion of county debt of \$2,561,500 not included.

⁶Boston. County debt not included though city assumes full burden. Tunnel bonds included under utility treated as self-supporting although revenue provides for only 80% of debt service.

⁷San Francisco. Golden Gate Bridge and highway district bonds of \$31,500,000 not included although if not self-supporting, city will assume 85%. Debt reported as of March 22, 1938.

⁸Milwaukee. General debt includes \$17,302,496 Metropolitan Sewerage District, which is city's share of total debt of district, and \$2,663,400 county debt for relief purposes which was not included last year.

⁹New Orleans. General debt includes sewer, water, and drainage bonds. Public Belt Bridge revenue bonds of \$5,166,000, port (a state agency) of \$36,813,000, and Orleans Levee District of \$20,839,000 are not included.

¹⁰Cincinnati. The annual rental of the Cincinnati Southern Railroad exceeds the debt charges on its construction bonds, the excess being equivalent to debt charges on approximately \$12,000,000 25-year, 3.5% bonds; self-supporting debt is computed on this basis.

¹¹Newark. General debt includes city railway (subway) not self-supporting, and under New Jersey law water debt is not entirely self-supporting.
¹²Kansas City, Mo. Water debt is not self-supporting although it has been treated as such in the past.

GROSS BONDED DEBT

Census 1930	General Improvement	Public Schools	Public Utilities	Total	SINKING FUND			NET BONDED DEBT			Total Special Assess- ments, General Obligation
					Gen'l Im- provement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-sup- porting	Per Capita Exclud- ing S.S.	Total Gross Special Assess- ments
20 Seattle, Wash. ¹²	13,927,000	8,556,000	54,257,428	76,740,428	100			550,899	76,189,529	59.99	18,205,719
21 Indianapolis, Ind. ¹⁴	15,320,771	9,745,000	8,000,000	33,063,771	35	65		2,803,406	30,260,365	61.13	1,397,000
22 Rochester, N. Y. ¹⁵	4,478,000	15,121,500	6,123,000	35,722,500	50	21	29	4,913,118	56,899,382	158.80	6,623,500
23 Jersey City, N. J. ¹⁶	47,368,167	12,715,500	14,248,255	74,331,922	31	20	49	6,826,320	52,054,474	178.88	
24 Louisville, Ky. ¹⁷	30,335,400	10,966,400	1,079,000	42,380,800	89		11	7,787,568	34,593,232	111.58	
25 Portland, Ore. ¹⁸	20,642,713	6,610,641	17,469,000	44,722,354	43		57	7,226,027	37,496,327	79.89	4,465,215
Group III											
Population 100,000 to 300,000											
26 Houston, Texas	29,228,500	11,681,250	2,096,000	43,005,750	77	23		5,865,477	37,140,273	119.87	
27 Toledo, Ohio	24,629,500	13,997,500	579,000	39,206,000	65	32	3	3,524,289	35,681,711	121.27	
28 Columbus, Ohio ¹⁹	290,564	7,408,168	6,191,500	38,580,451				5,844,598	32,735,853	99.19	
29 Denver, Colo. ²⁰	287,861	7,645,000	39,030,200	54,027,200	13			7,43,842	53,283,358	80.14	
30 Oakland, Caln.	3,228,215	11,492,000	43,726,587	58,416,802					58,416,802	75.73	
31 St. Paul, Minn. ²¹	271,606	10,268,000	6,905,000	38,298,000	81		19	6,962,740	31,335,260	94.94	
32 Atlanta, Ga.	8,963,000	4,560,000	1,777,000	15,300,000	65	24	11	1,391,856	13,908,644	85.55	
33 Dallas, Texas ²²	260,475	19,320,500	11,820,000	38,254,250	68		32	3,058,028	35,196,222	71.83	
34 Birmingham, Ala. ²³	259,678	13,250,000	3,250,000	25,686,000				3,753,212	21,932,788	18,652,998	
35 Akron, Ohio	255,040	6,014,662	9,343,392	39,789,568	65	20	16	2,693,671	37,095,897	115.81	
36 Memphis, Tenn. ²⁴	253,143	16,280,000	8,066,000	30,016,000	63	11	66	2,606,163	27,409,837	79.78	
37 Providence, R. I.	252,081	29,874,500	18,000,000	61,299,500	25	18	32	16,734,750	44,564,750	126.27	
38 San Antonio, Texas	231,542	14,928,500	6,159,000	27,885,500	59	19	22	562,172	27,323,328	21,285,452	
39 Honolulu, Hawaii ²⁵	218,807	6,207,209	8,590,000	14,797,209				943,508	13,853,701	5,763,701	
40 Omaha, Neb.	214,006	11,158,475	8,422,000	25,736,475	13	21	66	6,698,097	19,038,378	73.66	
41 Syracuse, N. Y.	209,326	28,623,080	6,976,009	41,116,589	100			1,500,000	39,616,589	17,282,028	
42 Worcester, Mass.	200,982	6,989,844	5,517,500	19,779,143	63		37	2,475,236	17,303,907	34,099,089	
43 Oklahoma City, Okla.	185,389	9,063,000	2,754,800	12,093,800	100			434,090	11,659,710	14,228,930	
44 Richmond, Va. ²⁶	182,929	2,646,862	7,255,550	38,807,100	32	25	43	14,623,363	24,183,737	10,634,403	
45 Youngstown, Ohio	170,002	7,796,352	1,739,000	9,340,352	84	16	19	422,364	8,917,988	73.36	
46 Grand Rapids, Mich.	168,592	7,153,400	2,616,995	12,570,395	28	50	50	2,551,900	10,026,495	47.72	
47 Hartford, Conn.	164,072	11,892,400	2,730,000	20,531,000	53	37	10	3,988,360	16,542,640	50.33	
48 Fort Worth, Texas	163,447	13,462,500	7,998,000	28,238,000	34	63	3	1,455,249	26,782,751	18,828,275	
49 New Haven, Conn.	162,655	12,823,000	323,000	13,146,000	83	17		1,075,232	12,070,768	115.20	
50 Flint, Mich.	156,492	6,878,186	1,960,500	15,125,686	42	31		2,961,228	12,164,458	74.21	
51 Nashville, Tenn.	153,866	10,047,000	3,367,000	16,149,000	77	13	10	1,371,117	11,777,883	71.03	
52 Springfield, Mass.	149,900	7,524,250	1,457,250	15,365,500				N	15,365,500	75.53	
53 San Diego, Cal.	147,995	3,026,356	11,037,784	18,093,015				N	18,093,015	59.92	

¹²Seattle. The school debt shown is the net debt.

¹⁴Indianapolis. Utility debt is for gas only. School debt includes \$613,000 library debt.

¹⁵Rochester. General debt includes \$3,900,000 tax revenue bonds and \$6,623,500 special assessment bonds.

¹⁶Jersey City. Debt reported as of February 28, 1938.

¹⁷Louisville, St. Paul. School sinking fund included in general sinking fund.

¹⁸Portland, Ore. General debt includes city's share of port debt, \$1,965,413. School debt is city's share of school district No. 1.

¹⁹Columbus. A special assessment overdraft of \$1,709,045 has been deducted from sinking fund.

²⁰Denver. Utility debt includes \$13,613,600 tunnel bonds of which 40% is estimated as self-supporting this year, although previously shown as not self-supporting.

²¹Dallas, Tulsa. Debt reported as of March 31, 1938.

²²Birmingham. Utility debt is for Industrial Water Works and consists of special revenue bonds, not tax obligation bonds. Debt reported as of March 15, 1938.

²³Memphis. Debt reported as of March 2, 1938.

²⁴Honolulu. Bonded debt of combined city and county reported. School debt, except for buildings, is issued by the territory and not the city and county.

²⁵Richmond. Debt reported as of January 31, 1938.

Census 1930	GROSS BONDED DEBT				SINKING FUND				NET BONDED DEBT			Total Special Assessments, General Obligation	
	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improve- (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-sup- porting	Per Capita Exclud- ing S.S.		
54 Bridgeport, Conn.	146,716	10,797,000	3,233,000	14,030,000	N				14,030,000	14,030,000	95.63	N	54
55 Scranton, Pa.	143,433	2,064,000	5,971,000	8,035,000	N				7,965,545	7,965,545	55.53	N	55
56 Des Moines, Iowa	142,559	5,541,623	7,062,000	17,306,623	4,703,000	75	25	N	16,792,246	12,603,623	88.41	N	56
57 Long Beach, Cal. ²⁶	142,032	9,352,548	5,585,000	24,480,405	3,768,000				18,995,405	18,995,405	133.04	N	57
58 Tulsa, Oklahoma ²⁷	141,258	8,941,049	5,000,000*	17,709,049	2,768,646	100			14,940,403	11,172,405	79.09	N	58
59 Salt Lake City, Utah	140,267	4,171,500	3,761,000	12,342,000	294,407	85	15	N	12,047,593	7,638,093	54.45	210,100	59
60 Paterson, N. J.	138,513	11,480,864	5,565,800	30,989,664	13,934,000	90	10	N	29,582,833	15,648,833	112.98	N	60
61 Yonkers, N. Y.	138,416	9,815,600	8,367,650	33,334,250	1,406,831				37,203,250	28,183,250	209.31	1,906,600	61
62 Norfolk, Va. ²⁷	129,710	19,820,354	6,050,381	40,275,600	14,404,865	60		40	27,203,732	17,997,503	138.75	N	62
63 Jacksonville, Fla. ^{28 29}	129,549	5,527,500	3,128,000	14,258,000	5,602,500				13,768,067	10,443,192	80.61	842,000	63
64 Albany, N. Y.	127,412	12,831,000	5,008,750	30,898,750	13,059,000	99		1	29,260,644	16,218,810	127.29	686,500	64
65 Trenton, N. J.	123,356	11,746,760	6,614,713	19,628,473	1,267,000	46	32	N	17,513,524	16,723,070	135.57	86,000	65
66 Kansas City, Kan.	121,857	4,297,123	2,920,000	12,320,123	5,703,000	7	N	93	8,725,033	6,365,336	52.24	N	66
67 Chattanooga, Tenn. ³⁰	119,798	12,690,100	2,095,000	14,885,100	100,000				14,176,036	14,176,036	118.33	1,183,163	67
68 Camden, N. J.	118,700	21,813,505	3,804,000	27,147,005	1,529,500	65	24	11	25,408,200	24,067,428	202.76	N	68
69 Erie, Pa.	115,967	5,482,000	5,257,000	12,059,000	1,66,166	100			11,892,834	10,572,834	91.17	36,000	69
70 Spokane, Wash.	115,514	2,455,000	752,000	3,885,000	321,687	23	7	N	3,563,313	3,112,391	26.94	1,506,329	70
71 Fall River, Mass.	115,274	4,846,000	1,329,000	6,335,000	678,000	100			5,769,000	2,632,600	48.83	N	71
72 Fort Wayne, Ind.	114,946	6,222,600	2,010,000	4,518,600	N				4,518,600	2,632,600	22.90	N	72
73 Elizabeth, N. J.	114,589	6,718,736	5,562,350	16,856,086	664,083				16,192,003	11,617,003	101.38	N	73
74 Cambridge, Mass.	113,643	8,038,000	1,153,000	9,997,000	2,350,889	98	2	N	7,646,111	6,883,611	60.57	N	74
75 New Bedford, Mass.	112,597	4,933,000	1,569,000	7,754,000	888,630	100	N	N	6,865,370	6,865,370	60.97	N	75
76 Reading, Pa.	111,171	3,644,000	7,206,000	13,319,000	2,469,000	46	47	N	12,724,886	10,299,000	92.64	372,500	76
77 Wichita, Kan.	111,110	3,765,261	3,419,500	7,184,761					7,184,761	7,184,761	64.66	1,929,370	77
78 Miami, Fla.	106,637	27,953,000	7,342,000	37,152,000	397,000		89	11	36,755,000	34,943,000	315.83	1,929,370	78
79 Tacoma, Wash.	106,817	2,313,500	1,312,000	14,891,345	90,200	90	N	10	14,801,145	3,544,300	33.18	131,000	79
80 Wilmington, Del. ³¹	106,592	5,396,650	931,000	13,302,650	1,689,566	100			11,612,684	7,247,684	67.99	884,496	80
81 Knoxville, Tenn.	105,802	19,161,005	2,466,000	26,187,041	2,251,781	87	N	13	23,935,260	19,661,876	185.84	N	81
82 Peoria, Ill.	104,969	2,773,000	840,500	3,613,500					3,613,500	3,613,500	34.42	1,033,148	82
83 Canton, Ohio	104,906	4,158,135	4,773,000	9,688,135	1,749,429	53	47	N	7,938,706	7,181,706	68.46	595,419	83
84 South Bend, Ind.	104,193	2,144,250	2,394,000	5,153,250	347,844	45		55	4,805,406	4,320,170	41.46	3,500,000	84
85 Somerville, Mass.	103,908	2,489,105	1,877,000	4,474,105					4,474,105	4,474,105	43.06	100,000	85
86 El Paso, Texas ³²	102,421	3,553,500	2,130,000	7,561,500	1,063,963	75	17	N	6,358,437	4,576,486	44.68	497,500	86
87 Lynn, Mass.	102,320	3,680,500	1,933,000	6,028,500	104,953			8	5,923,547	5,508,547	53.84	N	87
88 Evansville, Ind.	102,249	1,298,200	1,902,500	4,979,700	75,338	52	N	48	4,904,362	3,415,862	33.41	119,363	88
89 Utica, N. Y.	101,740	10,379,226	1,605,093	11,984,319	186,937				11,797,382	11,797,382	115.96	N	89
90 Duluth, Minn.	101,463	4,655,667	3,090,000	9,675,667	N				9,675,667	7,745,667	76.34	150,000	90
91 Tampa, Fla.	101,161	Not Reporting										N	91
92 Gary, Ind.	100,426	2,079,297	3,339,000	5,418,297	112,694	59	41	N	5,305,603	5,305,603	52.83	3,624,849	92
93 Lowell, Mass.	100,234	3,336,230	506,000	4,217,730				N	4,217,730	3,842,230	38.33	N	93

²⁶Long Beach. Water debt is city's portion (8%) of Metropolitan Water District.

²⁷Norfolk. General sinking fund includes school.

²⁸This city, in common with a number of others, is not directly responsible for the school debt which is issued either by the school district directly or by the county.

²⁹As school debt is a customary city debt burden, for comparative purposes the city's share of the school debt shown is either the total debt burden of the district, or is apportioned on a basis of assessed values or population.

³⁰Jacksonville. This year, for the first time, docks have been considered as not self-supporting, increasing net bonded debt excluding self-supporting by \$2,205,000.

³¹Chattanooga. Debt shown as of September 30, 1937.

³²Wilmington. Debt reported as at June 30, 1937.

³³El Paso. Debt reported as of March 1, 1938.

	Census 1930	GROSS BONDED DEBT			SINKING FUND			NET BONDED DEBT			Total Special Assess- ments, General Obligation		
		General Improvement	Public Schools	Public Utilities	Total	Gen'l Im- prove- ment	Public School ity	Public Util- ity	Total	Excluding Self-sup- porting		Per Capita Exclud- ing S.S.	Total Gross Special Assess- ments
137	Newton, Mass.	3,948,000	2,050,000	586,000	6,584,000	111,296	100	N	6,472,704	5,886,704	90.18	N	137
138	Covington, Ky.	1,331,700	988,000	2,268,000	4,587,700	N	N	N	4,587,700	2,319,700	35.55	N	138
139	Pontiac, Mich.	3,474,250	3,100,000	1,327,000	7,901,250	623,756	20	80	N	5,950,494	91.65	1,542,000	139
140	Hammond, Ind.	1,463,670	1,604,000	1,275,000	4,342,670	116,296	37	22	41	4,783,597	46.44	4,783,597	140
141	Topeka, Kan.	900,017	1,907,360	553,200	3,360,577	406,730	N	100	N	2,807,377	43.78	475,248	141
142	Oak Park, Ill.	951,500	2,329,000	1,195,000	4,475,500	603,815	N	100	N	2,676,685	41.83	411,471	142
143	Brockton, Mass.	1,280,000	130,000*	727,600	2,137,600	N	N	N	2,137,600	1,410,000	22.10	N	143
144	Evansville, Ill.	Not Reporting	63,338	7,441,000	17,843,250	1,238,500	79	21	N	9,163,750	145.55	N	144
145	Pasadena, N. J.	8,363,300	2,038,750	7,441,000	17,843,250	N	N	N	16,604,750	5,694,675	90.77	116,860	145
146	Terre Haute, Ind.	62,810	1,301,250	4,393,425	6,028,675	855,750	N	20	80	5,497,250	88.29	250,000	146
147	Glendale, Calif.	62,736	5,015,000	4,540,000	10,210,000	N	N	N	9,354,250	2,548,000	41.32	N	147
148	Charleston, S. C.	62,625	314,500	2,630,000	2,548,000	N	N	74	12,173,463	10,913,270	177.45	N	148
149	Wheeling, W. Va.	61,659	864,500	4,305,050	2,486,217	1,857,887	26	N	2,382,019	2,382,019	39.21	N	149
150	Mount Vernon, N. Y.	61,499	7,096,300	528,000	N	104,198	100	N	N	N	N	N	150
151	Davenport, Iowa	60,751	1,958,217	528,000	N	N	N	N	N	N	N	N	151
152	Charleston, W. Va.	60,408	Not Reporting	Not Reporting	N	N	N	N	N	N	N	N	152
153	Augusta, Ga.	60,342	Not Reporting	Not Reporting	N	N	N	N	N	N	N	N	153
154	Lancaster, Pa.	59,949	Not Reporting	Not Reporting	N	N	N	N	N	N	N	N	154
155	Medford, Mass.	59,714	Not Reporting	Not Reporting	N	N	N	N	N	N	N	N	155
156	Hoboken, N. J.	59,261	Not Reporting	Not Reporting	N	N	N	N	N	N	N	N	156
157	Chester, Pa.	58,164	2,947,000	2,030,000	4,977,000	1,408,617	32	68	3,568,383	3,568,383	60.31	413,600	157
158	Union City, N. J.	58,659	2,271,000	517,000	2,788,000	601,249	96	4	6,972,469	6,972,469	118.86	33,000	158
159	Malden, Mass.	58,036	2,454,500	1,996,000	4,450,500	30,334	100	N	2,616,636	2,518,636	43.40	N	159
160	Madison, Wis.	57,899	2,064,900	3,156,000	933,500	1,427,365	32	59	4,724,166	4,574,166	79.00	287,100	160
161	Bethlehem, Pa.	57,892	2,064,900	3,156,000	933,500	1,427,365	32	59	4,724,166	4,574,166	79.00	287,100	161
162	Beaumont, Texas	57,732	4,515,500	2,056,638	9,208,888	404,888	37	22	41	8,804,000	143.77	N	162
163	San Jose, Cal.	57,651	1,016,750	1,467,000	2,483,750	N	N	N	2,483,750	2,483,750	43.08	106,786	163
164	Springfield, Mo.	57,527	1,311,000	1,473,500	2,784,500	131,724	100	N	2,652,776	2,652,776	46.11	N	164
165	Decatur, Ill.	57,510	Not Reporting	Not Reporting	N	N	N	N	N	N	N	N	165
166	Irvington, N. J.	56,733	Not Reporting	Not Reporting	N	N	N	N	N	N	N	N	166
167	Holyoke, Mass.	56,537	679,000	473,000	2,244,000	N	N	N	2,244,000	1,152,000	20.38	N	167
168	Holyoke, Mass.	56,268	3,304,033	2,985,000	6,780,033	800,146	34	66	5,979,887	5,979,887	106.28	N	168
169	Hamtramck, Mich.	56,097	1,477,600	1,651,500	3,613,366	361,366	N	100	3,892,734	2,767,734	49.34	N	169
170	Cedar Rapids, Iowa	55,254	1,002,500	1,664,000	2,666,500	345,356	68	32	2,321,144	2,321,144	42.01	19,100	170
171	York, Pa.	55,187	1,630,000	1,604,000	4,684,500	N	N	N	4,684,500	4,114,500	74.56	232,000	171
172	Jackson, Mich. ⁴⁰	55,187	1,630,000	1,604,000	4,684,500	N	N	N	4,684,500	4,114,500	74.56	232,000	172
173	Kalamazoo, Mich.	54,786	Not Reporting	1,664,000	1,664,000	N	N	N	1,664,000	1,664,000	30.37	60,000	173
174	East Chicago, Ind.	54,784	Not Reporting	1,664,000	1,664,000	N	N	N	1,664,000	1,664,000	30.37	60,000	174
175	McKeesport, Pa. ⁴⁸	54,632	1,618,000	1,292,000	3,074,000	307,183	66	34	2,766,817	2,766,817	50.64	462,694	175
176	New Rochelle, N. Y.	54,000	8,796,700	5,519,676	14,316,376	332,522	N	N	13,983,854	13,983,854	258.96	N	176
177	Macon, Ga.	53,829	738,000	990,000	1,818,000	N	N	N	1,818,000	1,728,000	32.10	N	177
178	Greensboro, N. C.	53,569	11,066,502	852,133	14,634,132	455,319	82	N	14,187,813	11,545,102	215.52	4,266,104	178
179	Austin, Texas	53,120	3,207,000	1,316,000	6,364,500	90,113	19	81	6,244,387	4,505,584	84.82	N	179
180	Highland Park, Mich.	52,959	1,502,000	3,055,000	4,963,686	2,235,273	53	34	2,638,413	2,535,274	47.87	30,700	180
181	Galveston, Texas	52,938	1,502,000	3,055,000	4,963,686	2,235,273	53	34	2,638,413	2,535,274	47.87	30,700	181
182	Waco, Texas	52,848	Not Reporting	Not Reporting	N	548,740	78	15	6,693,260	5,452,571	103.00	N	182
183	Fresno, Cal.	52,513	695,000	3,165,000	6,025,000	520,272	61	39	5,504,728	3,339,728	63.60	N	183

⁴⁰McKeesport. City debt reported as of January 3, 1938; school debt as of July 5, 1937.

GROSS BONDED DEBT				SINKING FUND			NET BONDED DEBT			Total Special Assessments, General Obligation	
Census 1930	General Improvement	Public Schools	Public Utilities	Total	Gen'l Im- prove- ment (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-sup- porting	Per Capita Exclud- ing S.S.	Total Gross Special Assess- ments
183 Hamilton, Ohio	1,172,004	1,194,000	1,118,290	3,584,294	55	45	N	3,543,905	2,425,615	46.49	181,502
184 Durham, N. C.	52,037	4,221,415	3,538,000	9,195,676	100	100	N	8,798,412	5,260,412	101.09	1,830,521
185 Columbia, S. C.	Not Reporting	1,436,261	N	6,390,198	44	56	N	5,392,859	5,392,859	105.86	888,456
186 Cleveland Heights, Ohio	50,945	5,438,500	N	6,821,400	82	17	N	6,533,765	4,342,483	85.31	N
187 Port Arthur, Texas ²⁷	50,902	2,178,000	729,500	2,907,339	84	16	N	14,656,650	13,217,860	97.38	3,900
188 Dearborn, Mich. ²⁸	11,086,000	6,298,000	2,261,000	4,988,150	84	N	N	2,905,000	2,905,000	57.80	254,302
189 Kenosha, Wis. ²⁹	399,000	2,481,000	25,000	2,905,000	N	N	N	23,139,463	17,703,054	352.70	N
190 Asheville, N. C.	14,992,554	2,710,500	5,436,409	23,139,463	N	N	N	3,177,956	2,142,094	42.76	810,000
191 Pueblo, Colo.	828,000	1,327,000	1,085,000	3,240,000	..	21	79	N	N	N	N
Group V											
Population 30,000 to 50,000											
192 Pittsfield, Mass.	578,000	697,000	252,000	1,527,000	..	91	..	1,527,000	1,527,000	30.74	N
193 Woonsocket, R. I.	5,036,000	1,031,000	781,000	6,848,000	91	9	..	5,506,592	4,725,592	95.71	N
194 Haverhill, Mass.	48,710	96,000	118,000	1,468,000	100	100	N	1,446,000	1,328,000	27.26	N
195 New Castle, Pa.	928,000	2,150,000	N	3,078,000	100	100	N	2,946,596	2,946,596	60.54	N
196 Everett, Mass.	48,424	772,000	107,000	1,827,400	100	N	N	1,741,579	1,634,579	33.76	N
197 Jackson, Miss.	4,676,210	2,953,000	993,683	5,669,893	100	100	N	5,666,893	4,673,210	96.79	292,683
198 Phoenix, Ariz.	2,022,000	580,000	6,826,000	11,801,000	4	96	N	11,011,555	4,185,555	86.99	856,024
199 Stockton, Cal.	3,060,150	1,133,500	N	5,890,150	..	..	..	5,890,150	5,890,150	122.96	N
200 Brookline, Mass.	387,000	1,133,500	286,000	1,806,500	..	..	..	1,806,500	1,806,500	38.04	N
201 Elmira, N. Y.	1,850,400	590,000	480,000	2,920,400	..	..	..	2,920,400	2,440,400	51.49	N
202 Bay City, Mich.	427,000	640,600	1,421,000	2,488,600	29	44	27	2,272,403	908,976	19.19	71,500
203 Berwyn, Ill.	158,000	N	N	N	..	..	..	11,833,667	7,347,667	159.43	N
204 Clifton, N. J.	5,345,000	2,241,000	4,486,000	12,072,000	77	23	..	1,547,310	1,547,310	33.24	120,434
205 Aurora, Ill.	Not Reporting	695,000	N	864,759	67	33	N	6,552,241	6,552,241	141.38	N
206 Muncie, Ind.	852,310	2,473,000	N	N	N	N	N	1,783,478	1,783,478	38.49	N
207 Stamford, Conn.	4,944,000	N	N	2,165,100	100	N	N	2,774,166	2,774,166	60.66	49,153
208 Waterloo, Iowa	Not Reporting	394,500	20,000	3,225,500	100	N	N	1,681,335	1,681,335	36.77	119,800
209 Chelsea, Mass.	1,750,600	900,000*	N	2,192,800	100	58	N	6,468,366	5,099,622	111.58	N
210 Lexington, Ky.	2,325,500	1,918,900	2,975,000	8,974,000	42	..	64	3,306,027	2,909,322	64.43	212,500
211 Portsmouth, Pa.	5,284,000	715,000	484,500	3,393,822	36	..	100	1,814,656	1,650,656	37.08	302,000
212 Portsmouth, N. Y. ³⁰	45,155	835,322	164,000	1,839,507	100	N	N	1,028,000	745,000	16.96	N
213 Jamestown, N. Y. ³¹	44,512	1,001,507	24,851	24,851	100	N	N	5,107,852	5,107,852	116.91	N
214 Lorain, Ohio	43,980	690,500	283,000	1,028,000	..	34	N	2,324,500	1,941,500	44.56	N
215 Chicago, Mass.	43,980	1,841,000	383,000	5,180,500	66	..	..	10,303,595	8,649,415	198.76	N
216 Wichita Falls, Texas	3,339,500	1,027,500	1,936,000	3,971,000	22	31	47	6,645,555	4,588,582	106.38	N
217 Battle Creek, Mich. ³²	914,000	1,027,500	1,936,000	597,839	48	46	6	2,550,400	2,445,400	50.69	28,600
218 Perth Amboy, N. J.	7,546,434	1,419,000	387,000	1,315,000	100	N	N	2,269,310	2,179,310	56.70	817,103
219 Salem, Mass.	683,500	244,500	387,000	7,167,803	..	..	..	3,383,307	3,383,307	78.84	N
220 Amarillo, Texas	3,254,823	1,825,000	2,087,980	522,248	48	46	6	6,645,555	4,588,582	106.38	N
221 Columbus, Ga.	1,891,600	633,800	105,000	80,000	100	N	N	2,550,400	2,445,400	50.69	28,600
222 Joliet, Ill. ³³	821,500	1,357,810	90,000	2,269,310	..	..	..	2,269,310	2,179,310	56.70	817,103
223 Cranston, R. I. ³⁴	1,140,500	2,457,000	N	214,193	..	..	..	3,383,307	3,383,307	78.84	N

²⁷Port Arthur. General debt includes Seawall bonds paid by remission of eight-ninths of the state ad valorem taxes.

²⁸Dearborn. City debt reported as of February 28, 1938, and school debt as of January 1, 1938.

²⁹Kenosha. Debt reported as of March 21, 1938.

³⁰Jamestown. See note 28 re schools.

³¹Battle Creek. Utility debt is sewer improvement revenue debt.

³²Joliet. See note 28 re school debt. Joliet's share of school debt estimated at 55% of that for county on basis of information for prior years.

³³Cranston, Butte, Quincy, Norwalk. Debt reported as of March 1, 1938.

GROSS BONDED DEBT													
Census 1930	General Improvement			Public Schools	Public Utilities	Total	SINKING FUND			NET BONDED DEBT			Total Gross Special Assess- ments, General Obligation
							Gen'l Im- prove- ment (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-sup- porting	Per Capita Exclud- ing S.S.	
224 Portsmouth, Ohio	3,285,470	1,745,600	891,000	5,922,070	251,530	90	10	N	5,670,540	4,779,540	112.30	375,100	224
225 Lima, Ohio	3,135,200	560,000	505,500	4,200,700	N	..	..	..	4,200,700	3,695,200	87.38	22,300	225
226 Council Bluffs, Iowa	Not Reporting		2,993,000	11,742,870	1,509,757	9	73	18	10,233,113	7,506,273	178.65	160,000	226
227 Montclair, N. J.	4,038,120	4,711,750	480,000	2,353,563	482,346	7	46	47	1,871,217	1,869,261	44.85	189,000	227
228 Dubuque, Iowa	1,173,563	700,000	882,700	5,160,975	161,124	83	N	17	4,999,851	4,144,451	100.13	107,930	228
229 Muskegon, Mich.	1,977,000	2,301,275	882,700	2,904,300	179,704	N	21	79	2,724,596	2,458,596	59.88	182,000	229
230 Warren, Ohio	1,255,000	1,241,300	408,000	13,084,500	351,500	59	41		12,733,000	12,733,000	312.73	N	230
231 Kearny, N. J.	4,491,200	2,500,000*	6,093,300	1,468,000	342,800	N	..	..	2,696,800	2,354,000	57.84	N	231
232 Fitchburg, Mass.	1,468,000	886,000	342,800	2,633,179	1,787,406	47	..	..	4,445,773	2,172,940	53.44	N	232
233 Lynchburg, Va.	2,100,538	909,808	3,222,833	22,501,550	304,560	85	15	..	22,196,990	22,086,990	54.64	N	233
234 St. Petersburg, Fla.	20,122,500	2,269,050	110,000	4,972,227	20,175	..	..	..	4,952,052	4,559,052	113.16	419,102	234
235 Poughkeepsie, N. Y.	3,324,327	1,254,900	393,000	1,648,000	N	..	..	..	1,648,000	1,445,000	28.55	29,561	235
236 Ogden, Utah	Not Reporting		503,000	2,789,000	558,244	66	34	N	2,230,756	2,230,756	56.24	217,360	236
237 Oshkosh, Wis.	725,000	420,000	N	902,000	2,000	100	N	N	900,000	865,000	21.64	82,163	237
238 Anderson, Ind.	Not Reporting	1,865,000	35,000	1,954,689	90,137	52	48	N	1,864,552	1,864,552	47.17	211,611	238
239 East Cleveland, Ohio	924,000	295,000	N	1,545,689	N	..	..	..	1,545,000	1,384,000	35.26	22,518	239
240 LaCrosse, Wis.	1,249,521	705,168	161,000	2,736,500	730,000	326,000	..	..	2,736,500	2,410,500	61.42	N	240
241 Butte, Mont. ⁴⁴	804,000	580,000	326,000	917,000	25,304	N	100	N	891,696	833,696	21.25	286,075	241
242 Sheboygan, Mass.	39,247	730,000	58,000	1,664,000	18,787	66	34	N	1,645,213	1,498,213	38.93	..	242
243 Waltham, Mass.	N	859,000	147,000	5,794,500	25,000	60	N	40	5,769,500	4,623,500	121.43	140,000	243
244 Quincy, Ill. ⁴⁴	N	969,000	1,156,000	1,333,000	40,166	N	100	40	1,292,834	1,292,834	34.06	159,268	244
245 Meriden, Conn.	548,000	2,222,500	242,000	7,199,900	984,056	36	N	64	6,995,844	4,579,053	121.31	N	245
246 Bloomfield, N. J.	2,416,000	1,091,000	3,044,900	2,287,525	117,793	22	69	9	2,169,732	1,959,767	52.27	N	246
247 Rock Island, Ill.	2,605,000	2,330,000	220,275	1,960,900	25,000	..	..	100	1,935,900	1,151,900	30.79	..	247
248 Cumberland, Md.	623,250	1,444,000	809,000	4,835,750	257,751	44	33	23	4,577,999	4,577,999	123.24	..	248
249 San Bernardino, Cal.	Not Reporting		1,072,250	3,024,000	97,023	33	67	N	2,926,977	2,926,977	79.61	N	249
250 Green Bay, Wis.	330,900	821,000	N	497,200	N	..	..	..	497,200	497,200	13.52	173,146	250
251 Raleigh, N. C.	Not Reporting		249,500	3,006,691	20,462	N	N	100	2,986,229	2,757,191	75.23	81,844	251
252 Taunton, Mass.	Not Reporting	569,000	155,000	927,645	187,360	10	90	N	740,285	585,285	16.06	52,600	252
253 Santa Monica, Cal. ⁴⁵	1,900,500	496,725	N	2,104,998	N	..	..	..	2,104,998	2,104,998	58.30	..	253
254 West New York, N. J.	Not Reporting	1,136,000	79,000	859,000	62,027	100	N	N	796,973	717,973	19.89	..	254
255 Hazleton, Pa.	171,000	326,200	1,079,000	5,035,000	439,730	..	..	..	4,615,270	3,536,270	98.18	N	255
256 Danville, Ill.	Not Reporting	569,000	1,526,000	1,880,000	328,872	39	61	N	1,246,507	1,104,699	30.75	351,938	256
257 High Point, N. C.	2,188,191	600,000	53,000	14,451,048	866,974	58	26	16	13,584,074	12,192,889	340.30	..	257
258 Auburn, N. Y.	275,920	496,725	155,000	874,160	28,318	8	62	30	845,842	801,282	22.62	104,300	258
259 Zanesville, Ohio	36,440	1,351,054	79,000	3,363,403	N	..	..	..	4,652,228	1,288,825	36.79	84,097	259
260 Superior, Wis.	36,113	1,351,054	1,079,000	1,131,949	N	..	..	..	1,287,000	979,000	28.01	N	260
261 Arlington, Mass.	175,000	605,000	1,079,000	1,131,949	N	..	..	..	1,287,000	979,000	28.01	N	261
262 Norwalk, Conn. ⁴⁴	2,470,000	1,506,000	1,079,000	14,451,048	866,974	58	26	16	13,584,074	12,192,889	340.30	..	262
263 Elgin, Ill.	718,000	436,000	N	874,160	28,318	8	62	30	845,842	801,282	22.62	104,300	263
264 Narristown, Pa.	880,000	1,000,000*	1,526,000	3,363,403	N	..	..	..	4,652,228	1,288,825	36.79	84,097	264
265 White Plains, N. Y.	6,124,048	6,801,000	53,000	308,000	308,000	..	..	..	1,287,000	979,000	28.01	N	265
266 Revere, Mass.	Not Reporting	445,750	3,363,403	4,652,228	N	..	..	..	4,652,228	1,288,825	36.79	84,097	266
267 Steubenville, Ohio	373,410	1,131,949	308,000	1,287,000	N	..	..	..	1,287,000	979,000	28.01	N	267
268 Orange, N. J.	Not Reporting	430,000	3,363,403	4,652,228	N	..	..	..	4,652,228	1,288,825	36.79	84,097	268
269 Alameda, Cal.	156,876	430,000	308,000	1,287,000	N	..	..	..	1,287,000	979,000	28.01	N	269
270 Lewiston, Me. ⁴⁶	549,000	430,000	308,000	1,287,000	N	..	..	..	1,287,000	979,000	28.01	N	270

*Lewiston, Laredo. Debt reported as of February 28, 1938.

⁴⁶Santa Monica. For the first time water debt has been reported not self-supporting.

	Census 1930	GROSS BONDED DEBT				SINKING FUND			NET BONDED DEBT			Total Special Assessments, General Obligation		
		General Improvement	Public Schools	Public Utilities	Total	Gen'l Im- prove- ment (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-sup- porting	Per Capita Exclud- ing S.S.			
271 Watertown, Mass.	34,913	466,000	681,000	6,000	1,153,000	N	..	..	1,153,000	1,153,000	33.02	N	271	
272 Amsterdam, N. Y.	34,817	Not Reporting			2,487,000	N	..	..	2,487,000	2,487,000	71.73	575,481	272	
273 West Allis, Wis.	34,671	1,192,000	1,032,000	263,000	2,487,000	N	..	..	5,626,300	4,548,300	131.62	N	273	
274 New Brunswick, N. J.	34,555	3,468,300	1,080,000	1,078,000	5,626,300	N	..	..	7,181,928	3,437,928	99.74	N	274	
275 Easton, Pa.	34,468	2,699,000	1,607,000	3,744,000	8,049,000	818,072	53	47	4,398,777	4,398,777	127.79	101,000	275	
276 Plainfield, N. J.	34,422	2,927,000	1,602,000	N	4,529,000	130,223	..	..	5,524,657	2,515,657	73.09	N	276	
277 Newport News, Va.	34,417	2,521,500	1,105,500*	3,009,000	6,636,000	1,111,343	100	..	2,820,564	2,820,564	83.91	N	277	
278 Santa Barbara, Cal.	33,613	1,297,925	1,000,000*	738,000	2,945,925	125,361	60	40	3,718,797	1,511,430	45.06	N	278	
279 Paducah, Ky.	33,541	1,464,000	150,500	2,234,000	3,848,500	129,703	38	41	1,082,107	1,020,107	30.43	24,700	279	
280 Mansfield, Ohio	33,525	618,575	556,000	62,000	1,236,575	154,468	100	N	1,061,616	1,061,616	31.73	N	280	
281 Joplin, Mo.	33,454	292,500	833,000	N	1,125,500	63,884	100	N	2,116,000	1,086,000	32.42	..	281	
282 Waukegan, Ill. ⁴⁷	33,499	107,000	982,000*	1,030,000	2,119,000	3,000	100	N	2,257,007	1,054,000	31.71	51,500	282	
283 Norwood, Ohio	33,411	Not Reporting			3,082,000	824,993	N	N	1,711,208	667,524	20.26	N	283	
284 Sioux Falls, S. D.	33,362	Not Reporting	554,000	2,028,000	1,808,900	97,692	13	..	1,490,706	1,490,706	45.70	..	284	
285 Colorado Springs, Colo.	33,237	64,000	615,900	1,129,000	1,808,900	N	..	87	2,612,122	2,023,100	62.24	531,610	285	
286 Elkhart, Ind.	32,949	Not Reporting			1,562,000	71,294	57	14	1,089,766	1,089,766	33.54	..	286	
287 Kokomo, Ind.	32,843	953,000	609,000	N	1,562,000	71,294	57	14	1,801,967	1,721,967	53.25	4,000	287	
288 Laredo, Texas ⁴⁸	32,618	1,544,000	1,088,000	877,000	3,509,000	896,878	86	N	1,170,000	762,000	23.64	151,956	288	
289 Tucson, Ariz.	32,506	478,500	630,000	N	1,108,500	18,734	100	N	3,546,283	2,903,283	90.15	26,632	289	
290 Richmond, Ind.	32,493	1,108,967	613,000	80,000	1,801,967	N	..	..	2,876,374	2,542,374	79.56	99,070	290	
291 Rome, N. Y.	32,338	Not Reporting			1,170,000	245,497	70	30	2,542,374	2,542,374	79.56	99,070	291	
292 Wilmington, N. C.	32,270	362,000	400,000	408,000	1,170,000	N	..	..	2,622,868	2,525,848	79.99	18,000	292	
293 Moline, Ill.	32,236	2,089,280	1,059,500	643,000	3,791,780	70,527	26	74	1,586,819	1,586,819	50.43	..	293	
294 Watertown, N. Y.	32,205	Not Reporting			2,946,901	365,132	99	..	2,279,800	1,185,500	37.02	54,158	294	
295 Muskegee, Okla.	32,026	1,742,890	870,011	334,000	2,946,901	51,181	100	1	1,438,719	1,350,719	43.07	108,667	295	
296 Meridian, Miss. ⁴⁹	31,954	2,439,000	450,000*	99,000	2,988,000	176,700	30	N	3,534,806	2,975,575	95.14	108,667	296	
297 Pensacola, Fla. ⁴⁹	31,579	1,046,000	592,000	N	1,638,000	86,800	100	N	5,639,000	3,488,000	113.02	N	297	
298 Nashua, N. H.	31,463	1,046,000	490,000	1,219,000	2,456,500	11,082	N	100	1,288,962	830,066	26.93	N	298	
299 Fort Smith, Ark.	31,429	312,500	925,000*	88,000	1,219,000	N	..	..	1,218,082	1,018,082	33.27	104,000	299	
300 Port Huron, Mich.	31,361	1,075,519	362,000	88,000	1,525,519	166,374	39	27	3,392,626	1,159,761	37.94	167,748	300	
301 Newburgh, N. Y.	31,275	1,240,937	1,745,720	559,231	3,545,888	11,082	N	100	2,336,330	2,223,991	73.35	684,737	301	
302 Marion, Ohio	31,084	Not Reporting			2,751,000	44,879	166	85	239,036	475	209.72	43,635,036	302	
303 Bloomington, Ill.	30,930	Not Reporting	643,000*	2,751,000	1,389,000	29,230	91	31	131,197	468	114.30	19,857,342	303	
304 Hagerstown, Md. ⁵⁰	30,861	2,245,000	500,000	479,000	1,389,000	100,038	80	N	20	1,288,962	26.93	N	304	
305 Bellingham, Wash.	30,823	410,000	500,000	200,000	1,294,000	75,918	100	N	N	1,218,082	1,018,082	33.27	104,000	305
306 Baton Rouge, La.	30,729	Not Reporting			3,359,000	166,374	39	27	3,392,626	1,159,761	37.94	167,748	306	
307 Newark, Ohio	30,596	469,000	625,000	2,089,000	3,359,000	127,495	24	69	2,336,330	2,223,991	73.35	684,737	307	
308 Everett, Wash.	30,567	936,000	334,000	2,089,000	2,463,825	127,495	24	69	2,336,330	2,223,991	73.35	684,737	308	
309 Santa Ana, Cal.	30,322	476,065	1,866,000	121,760	2,463,825	127,495	24	69	2,336,330	2,223,991	73.35	684,737	309	
310 Alton, Ill.	30,151	Not Reporting			283,915,641	44,879	166	85	239,036	475	209.72	43,635,036	310	
CANADIAN CITIES														
1 Montreal, Que. ^a	818,577	169,111,011	47,440,000	67,364,630	283,915,641	44,879	166	85	239,036	475	209.72	43,635,036	1	
2 Toronto, Ont.	626,674	58,785,068	25,800,000*	75,843,341	160,428,409	29,230	91	31	131,197	468	114.30	19,857,342	2	
3 Vancouver, B. C.	246,593	43,365,661	20,300,176	9,772,939	63,438,780	13,962	905	31	49,475	875	174.72	6,974,672	3	

CANADIAN CITIES

1 Montreal, Que. ⁵¹	818,577	169,111,011	47,440,000	67,364,630	283,915,641	44,879	166	85	239,036	475	171,671	845	6,943,671
2 Toronto, Ont.	626,593	58,785,068	25,800,000*	75,943,341	160,428,409	29,230	91	31	131,197	468	114.30	19,857,342	10,660,401
3 Vancouver, B. C.	246,593	43,565,665	10,300,176	9,772,939	63,438,780	13,962,905	31	23	46	49,475,875	43,083,627	174.72	6,974,672

⁴⁷Waukegan. Debt reported as of March 1, 1938.

⁴⁸Meridian. Debt reported as of September 30, 1937.

⁴⁹Pensacola. Debt reported as of January 31, 1938.

⁵⁰Hagerstown. See note 28 re school debt.

⁵¹Montreal. Debt reported as of October 31, 1937.

GROSS BONDED DEBT										SINKING FUND			NET BONDED DEBT			Total Special Assessments General Obligation
Census 1930	General Improvement	Public Schools	Public Utilities	Total	Gen'l Im- provement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-sup- porting	Per Capita Exclud- ing S.S.	Total Gross Special Assessments	Total Special Assessments General Obligation				
4 Winnipeg, Man.	11,451,160	8,250,000	38,970,632	58,671,792	22	14	64	29,301,752	9,054,755	41.39	5,220,519	N	4			
5 Hamilton, Ont.	16,902,506	3,787,895	6,419,724	27,110,125	2	N	98	559,042	20,677,616	134.70	2,175,848	1,144,459	5			
6 Quebec, Que.	Not Reporting												6			
7 Ottawa, Ont.	11,093,415	3,093,680	6,243,078	20,430,173	33	15	52	4,796,234	11,893,298	93.74	2,333,353	1,099,039	7			
8 Windsor, Ont. ²²	30,337,459	4,180,562		34,518,021	N			34,518,021					8			
9 Calgary, Alta.	8,441,952	2,176,368	11,253,542	21,871,862	38	N	62	10,547,190	6,626,496	79.11	2,790,295	1,024,847	9			
10 Edmonton, Alta.	79,197	Not Reporting											10			
11 London, Ont.	5,283,426	2,355,345	3,785,737	11,424,508				2,275,849	7,513,298	105.60	746,724	210,446	11			
12 Verdun, Que. ²³	8,088,320	3,935,399	100,000	12,123,719	88	11	1	9,920,778	9,837,741	161.95	1,747,200	N	12			
13 Halifax, N. S. ²⁴	10,471,394	2,656,403	2,101,209	15,229,006	72	28	3	10,079,510	7,978,301	134.60	200,156	N	13			
14 Regina, Sask.	59,205	6,728,236	2,510,746	15,999,848	45	9	46	8,176,348	4,847,092	91.10	3,829,928	1,440,318	14			
15 St. John, N. B.	47,514	2,854,975	2,315,500	5,176,934	3,191,890	79	21	3,191,890	1,988,828	41.86	5,985,044		15			
16 Saskatoon, Sask.	43,291	6,545,982	2,808,897	13,789,349	39	12	49	5,696,874	6,436,230	148.67	2,721,658	888,912	16			
17 Victoria, B. C. ²⁵	39,062	16,062,757	4,434,470	16,062,757	100			3,780,836	12,281,921				17			
18 Three Rivers, Que.	34,450	Not Reporting											18			

²²Windsor. Under refunding agreement bonds are issued in two groups only—general city and public school—water debt losing its identity. Debt and population increased by recent annexations.

²³Verdun. Utility debt is for housing. This year both Catholic and Protestant school debt is included. This accounts for an increase of \$2,295,400 in debt.

²⁴Halifax. Debt reported as of April 30, 1937.

²⁵Victoria. Under refunding plan only general city bonds are issued. Water and school debt loses its identity as such.

THE BONDED DEBT OF 286 CITIES AS AT JANUARY 1, 1938

(Continued from Page 321)

years showed any increase in either gross or net bonded debt less self-supporting.

As has been pointed out before, too much weight should not be given to the highest and lowest per capita debt, since many factors influence the size of a city's debt. This is well illustrated by Miami and Atlantic City—both resort cities, and both reporting the highest debt in their respective groups. See table V.

Tables VI and VII bring out the comparison of the debt of the 179 cities that reported in 1930, 1937, and 1938. The comparison of 1938

debt figures with 1930 debt figures should be interesting because it may be said that the 1930 figures represent conditions before the depression. In all instances except the group V 1937 gross debt, increases over the 1930 figures are indicated. However, the 1938 figures, except for group V and group II net debt excluding self-supporting, show decreases since 1937.

Summarizing the conclusions of the tabulation in a few words, it may be said that except for the very small cities—group V—bonded debt has been going down for the last three years, the decreases becoming progressively larger. Group V cities show increased debt, but apparently the increases are becoming progressively smaller.

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

Toledo Holds Three-Day Municipal Exposition.—At least ten thousand citizens of Toledo, Ohio, made use of an unusual opportunity to understand the operation of their city government, through a free municipal exposition held on June 2nd, 3rd, and 4th in the civic auditorium under sponsorship of the City Manager League and the League of Women Voters, with the official sanction of the city council. Special exhibits of activities were arranged by some twenty-five divisions of the city government, and visitors were conducted on planned tours of the principal city departments and public buildings.

The opening day was planned as "safety day," with a spectacular fire drill, including the extinguishment of a fire in a special building erected on the civic center from materials taken from demolished buildings; and with a police parade as another feature. The exhibits in the auditorium were thrown open in the afternoon and in the evening were formally inspected by Mayor Start, City Manager Edy, the city council, and department heads.

"Service day," following, included inspection trips to the filtration plant, pumping stations, sewage disposal plant, incinerator, and street department shops. A "know your city" quiz bee was conducted in the auditorium, with seven students, representing the seven high schools, competing in answering questions about the municipal government and its functions propounded by President Nash of the University of Toledo. Newspaper editors or managers were the judges.

The third day, Saturday, was "welfare and health day," with special programs in the parks,

the zoo, and the municipal airport. In the evening a special program was staged by the City Manager League, including awards to the divisions with the best exhibits and to all city employees with twenty-five years or more of service.

The schools, the press, radio stations, taxicab companies, and an outdoor advertising company coöperated in giving publicity to the exposition. Copies of a new printed booklet, "Two Years of Council-Manager Government," were made available to those desiring them.

*

Council-Manager Plan Developments.—Lansing, capital city of Michigan, is to hold an election on June 15th for a charter commission. The council-manager plan is expected to be given careful consideration by the commission.

A city manager enabling act for Illinois cities was introduced at the opening session of the legislature on May 27th. As reported elsewhere in this issue, Governor Horner had included such legislation in his call for a special legislative session.

The City Manager Committee of the Chicago City Club is undertaking to make a number of studies which would provide additional ammunition for the city's manager campaign. Among the studies proposed are comparative governmental costs as between Cincinnati and Chicago, aldermanic rackets in Chicago, and instances of breakdowns in the operation of Chicago's present government. This committee is also considering a study of county-manager government with a view to preparing a report on the practicability of that type of government for Illinois counties.

In Omaha, Nebraska, open forum meetings have been held, to discuss the need for county-manager government in Douglas County.

In Forest Grove, Oregon, the council has

been considering council-manager government by ordinance.

In Yonkers, New York, the City Manager League last month launched its third campaign in three years. It intends to present a petition of 7,500 signatures to the council, asking for a referendum on the council-manager plan at the general election in November.

On May 11th Tecumseh, Michigan, defeated a proposal to adopt the manager plan. Chesterfield County, Virginia, also defeated such a proposal on May 12th.

*

Merit System Support Urged in Chicago.

—Establishment of a permanent, publicly-supported agency to represent citizen interest in bringing about efficient administration of the civil service laws in Illinois and metropolitan Chicago is recommended by the Chicago Union League Club's Sub-committee on Civil Service in a newly published report. The committee particularly deplores abuses of the merit system in the city of Chicago and points contrastingly to recent effective efforts of Cook County to carry out the spirit of the law.

*

Washington, D. C., Wants to Vote.

On April 30th some 93,000 residents of the city of Washington, District of Columbia, voted at the public schools, which had been turned into temporary polling places, on the question whether they desired the right to vote for the president and members of Congress, and a similar question as to voting for local government officials in the District of Columbia. The vote on the first question was reported as 87,092 in favor and only 6,832 against; on the second question it was 82,977 in favor and 10,937 against. If Congress acts accordingly it will restore the vote to residents of the district, from whom it was taken away shortly after the Civil War.

Various pieces of legislation have been introduced into Congress to give such rights to Washington citizens. The Capper-Norton joint resolution, which has been before Congress for sixteen years, calls for a constitutional amendment permitting residents of the District of Columbia to elect their own representatives and senators in Congress and also to vote for President; the Lewis-Randolph joint resolution calls for an amendment providing not only for representatives in the Congress, but em-

powers Congress to establish a "republican form" of government for the district.

Representative Emanuel Celler of New York City has recently introduced a bill to "provide municipal self-government for the District of Columbia." The bill calls for a mayor and city council of twenty-five members, both elected for two-year terms. There is also agitation for the city manager plan.

*

Cities Report Success on "Fixless" Traffic

Tags.—Portland, Oregon, reports success in its new "fixless" traffic tag system, according to the Municipal Finance Officers' Association. A recent two weeks' drive not only reduced traffic charge evasion but resulted in the collection of \$2,600 in fines. This was an increase of \$1,274 compared with the previous two-week period, when three times as many tags had been issued for violations.

Dallas, Texas, makes a similar report. Last month the city collected nearly \$10,000 in traffic fines on 3,500 violations.

*

Outdoor Municipal Workers on Annual Wage Basis.

—In line with similar experiments in certain industries, Two Rivers, Wisconsin, a city of ten thousand, has put its outside "seasonal" workers on an average forty-hour week with the same monthly salary throughout the year, according to the International City Managers' Association. Street sweepers and other street department employees, electric line men, and outside men in the water department now work a fifty-hour week during the summer, when most of the outdoor labor is done, and a thirty-hour week during the winter.

The street department of Des Moines, Iowa, recently made a one-year agreement with its 200 workers to pay an annual wage for 240 work days per year, as against the former average of 200 days per year on an hourly basis. If successful in this department, the plan will be extended to include other municipal employees now on an hourly basis.

*

Yardsticks for Municipal Government.

A recent study by the International City Managers' Association has resulted in new suggestions for measuring the results of municipal administration. In contrast to the familiar ways of appraising governmental efficiency in terms of tax rates, total expenditures, man-hours, and amount of work performed, the

new measurement method reduces the information to two points: "What results are obtained?" "Are they obtained in the most economical manner?" The method is based on the development of detailed records systems on each municipal activity, designed to enable the compilation of uniform statistics. From this information, over a period, "indices of result" will be constructed to measure the attainment of objectives. Techniques are suggested for reducing data from different cities to the same basis and from the same city for different years.

Sample charts of proposed records systems for fifteen common municipal activities are shown in the study. Some of these records have been used by certain cities for some time, mainly for police and public works activities. New proposals include measurement records on public welfare, planning, schools, libraries, etc.

*

More Security, Less Pay For City Employees in 1937.—The 542,000 persons who worked for American cities in 1937 held more stable jobs but took less pay than in previous years, the International City Managers' Association reports in its year book. Information compiled for cities of more than 10,000 population showed increased employment, and greater stability of employment as indicated by fewer new appointments.

Municipal employees numbered more than one for each one hundred persons in the reporting cities, for the first time last year. New appointments totaled 20,687 in 1937, a decrease in ratio from seven to five for every one hundred employees, the report shows. The job turnover for all cities of more than 10,000 population declined from 5.6 per cent to 3.5 per cent during the same period.

The average salary for 449,513 employees in cities over 10,000 was \$1,643 in 1937. Salaries remained relatively stable in cities of less than 500,000 but decreased by more than \$200 in average cities over that figure.

*

Municipal Housing for Relief Recipients.—With house rent for relief recipients mounting to hundreds of thousands of dollars annually, some cities are contemplating municipal housing as a means of saving money. According to the National Association of Housing Officials, Detroit has built ten houses on city-owned land, the first of a project of 175; and

Los Angeles County is preparing to erect an experimental twenty.

*

Wisconsin to Make Loans for Governmental Training.—As a result of student loans authorized by the 1937 legislature, five University of Wisconsin seniors were chosen last January by the State Bureau of Personnel, on recommendation of a committee of university deans, to inaugurate a program of student training for governmental service. As apprentices to state commissions and bureaus these students have been attending meetings of departmental heads as well as learning the groundwork in their own bureaus. Eight others have been selected to go to work for the state next June at the base pay of \$125 a month, together with Marquette graduates yet to be chosen.

Under terms of the loans, the recipients are obligated to remain in state service two years. Then, if they wish to continue state careers, they must qualify in regular civil service examinations.

P. W. W.

*

Constitutional Revision Program of Citizens Union of New York City.—The Citizens Union of the City of New York, which has had a special committee of experts working on proposals for the state constitutional convention, now in session, has announced its program of recommendations, briefly as follows: (1) election of legislature by proportional representation from large districts, thus solving the reapportionment problem; (2) a unicameral legislature; (3) elimination of "blind" voting by the legislature, i.e., action on "emergency" bills not before each member in final form; (4) discharge of bills from committee by less than majority vote of legislature; (5) abolition of lieutenant governor; (6) appointment of attorney-general by governor; (7) abolition of elective comptroller; supersession by auditor appointed by legislature and by the executive department of taxation and finance; (8) appointment by the governor of single commissioners to head administrative departments; (9) removal of such department heads by governor at will. Further recommendations are to be presented.

*

New Jersey Assembly Approves "Princeton" Bills.—The New Jersey state assembly

has passed four "Princeton" bills, resulting from the Princeton University survey of local government, and designed to provide more strict control of municipal financial affairs, including debt restriction and local sinking funds. Minor amendments for clarification, and to increase the term of the commissioner of local government, under the bills, from six to seven years, were made. The bills provide a four-man board to assist the commissioner and to serve as a tribunal to consider appeals from his decisions.

*

Illinois Special Legislative Session Topics Include Relief, City Manager Plan, Constitutional Revision.—On May 17th Governor Henry Horner of Illinois summoned the state legislature into special session, to convene May 20th. The primary purpose was to deal with the relief crisis, particularly in Chicago, where relief stations have been closed. The governor recommended an appropriation of \$500,000 per month for nine months (which was voted), and legislation to enable counties and municipalities to raise more relief money and to divert or borrow for relief purposes from their various funds.

Other recommendations, among a total of twenty-two subjects, were for a referendum in November on a state constitutional convention, one possible topic for such being the authorization of a state income tax, now held unconstitutional; consideration of city manager enabling legislation; the creation of a state school board and appropriation of money for needy school districts, and legislation to take advantage of federal housing assistance.

*

Legislatures Dominated by Welfare Problems.—Relief and other social welfare matters commanded the most urgent attention in the legislative sessions of ten states this year, according to a survey by the Council of State Governments. In addition, as noted elsewhere, Illinois and Ohio legislatures have assembled in special sessions to solve relief crises, and the relief problem is also facing the legislatures of Louisiana, Massachusetts, and New Jersey.

The California legislature in special session this year appropriated \$6,000,000 to reimburse counties for social security payments, and \$4,900,000 for unemployment and self-help projects. Kansas created a \$600,000 emergency welfare fund available to counties, while

Georgia authorized its state welfare department to bear part of the county welfare administration expense. Georgia also amended its unemployment compensation law to speed unemployment benefits, and provided unemployment compensation for seasonal workers. Mississippi liberalized its provisions for old-age assistance and provided an appropriation for needy blind. Virginia completed the national record for state participation in the federal social security program when its legislature passed laws providing public assistance.

Four states—California, Virginia, Mississippi, and New Jersey—passed legislation enabling local government units to establish housing authorities to participate in large-scale public housing projects. Enactment of the enabling legislation brings to thirty-three the number of states providing for the establishment of local housing authorities. California and Kentucky legislation qualified lending corporations for participation in the United States housing act, while Ohio legalized the use of state funds including the teachers' pension fund, for investment in housing authority bonds. New York gave initial approval to a proposed constitutional amendment to establish a \$500,000,000 state housing loan fund.

Although the survey shows that few legislatures levied new state-wide taxes, most of them voted to continue "emergency" levies and increased the power of their taxing agencies.

*

Federal Funds Earmarked for Housing.—The total amount of federal funds tentatively reserved for slum clearance and low-rent housing plans in specific communities by the United States Housing Authority was increased to \$334,548,000 on May 9th, when Nathan Straus, administrator of the USHA earmarked \$23,550,000 for projects in Baltimore, Maryland; Newark and Elizabeth, New Jersey; and Norwalk, Connecticut. The last three cities are new to the government slum-clearance program. The total number of communities to which tentative allocations have been made was increased to eighty, located in twenty-three states and the territory of Hawaii. Under the law the total amount available is \$500,000,000, but not more than \$300,000,000 is to be spent before July 1, 1939. The present earmarkings do not indicate definite approval of specific projects. Actual loan contracts ap-

proved by the USHA and President Roosevelt totaled only \$53,493,000 for nine cities.

*

Building Started for Harvard Public Administration School.—The cornerstone of a new building for the Harvard School of Public Administration was laid on May 10th by Lucius N. Littauer of New York who has donated \$2,250,000 for the school, the first regular sessions of which will begin next fall. The building will be completed during the next academic year.

*

Graduate Training for Public Service.—New York University will establish a Graduate Division for Training in Public Service next fall to meet the rising demand for a trained, permanent personnel in the public service and to encourage a deeper and broader understanding of public affairs, as announced May 25th by Chancellor Harry Woodburn Chase at a luncheon attended by members of a faculty committee and an advisory board of prominent persons in public service and social work who aided in the formulation of plans for the new division. The committee and the board were under the chairmanship of Dr. Rufus D. Smith, provost of the university.

Courses in the division, leading to the new degree of Master of Public Administration, will be integrated with courses in the other graduate divisions of the university, Chancellor Chase said, and will be designed to meet the needs of present or prospective graduate students, whether now in governmental service or not, who desire broad training that prepares for administrative positions.

Among the courses to be offered will be the state and modern society, principles and problems of public administration, public psychology and opinion, governmental research technique and statistical method, the composition of public papers, public works organization and administration, public financial administration, public welfare administration, public personnel administration, and field work.

Collateral work will also be available in the Graduate School of Arts and Science, School of Business Administration, School of Education, College of Engineering, College of Medicine, and School of Law.

"The Division of Research in Public Administration, established in 1932 under the direction of Professor Russell Forbes, now New

York City commissioner of purchase, has established valuable contacts with the governmental agencies of the area," Dr. Chase said. "Particularly has the New York City Municipal Civil Service Commission indicated its readiness to coöperate with the university in the development of career service standards for the city. New York City is, after the national capital, the most important public employer in the United States. The New York State Civil Service Commission and the New Jersey State Civil Service Commission are among the most progressive personnel commissions in the country. Their recruitment methods show a significant trend toward selection of university and college graduates."

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Awards Made in County Health Contest.

—The rural health conservation contest, conducted annually by the Chamber of Commerce of the United States in coöperation with the American Public Health Association and financed by the W. K. Kellogg Foundation of Battle Creek, Michigan, announces the following winners for the 1937 contest:

Northeastern Division, Columbia County, New York

Eastern Division, Fayette County, Kentucky
Southeastern Division, Pike County, Mississippi

North Central Division, Woodbury County, Iowa

South Central Division, Amarillo-Potter County, Texas.

Western Division, Clallam County, Washington.

Special awards for having won the rural health contest twice in their respective geographic districts and for having maintained their previous high standards of achievement during 1937 were given to Davidson County, Tennessee; El Paso County, Texas; and Shawnee County, Kansas.

Some of the points considered by the committee of health experts entrusted with making the awards are: (1) the extent to which the water supply is protected; (2) the point to which sanitation has advanced in rural homes; (3) the safety of the milk supply; (4) adequate care of prenatal cases; (5) medical

supervision of infants; (6) the availability of well trained nursing service; (7) the degree in which local physicians and dentists aid in the public health program; (8) activities to control tuberculosis and syphilis.

These and many other points are used in grading a county or district competing in the contest.

*

North Carolina Has Largest Rural Consolidated School.—Johnston County, North Carolina, has the largest consolidated rural school in the United States, reports the North Carolina Department of Conservation and Development. The school, located at Four Oaks, has an enrollment of 1,870 children of which all but 350 are in the elementary grades. Approximately 1,300 are transported to and from the school each day in a fleet of twenty-one school busses, several of which have to make two trips. Some of these busses bring children to the school from points as far as nineteen miles away. They are driven entirely by students sixteen years of age or older who have obtained their state driving licenses and then passed the very rigid tests given by the State Highway Patrol to all school bus drivers.

There are forty-five teachers in the Four Oaks school, twenty-four of whom live in the large brick teachers' home on the school grounds. They pay the county five dollars a month for a room and get their board on a co-operative basis for sixteen dollars a month.

*

North Carolina Leads in Rural Electrification.—Farm homes in North Carolina are getting "all lit up" faster than in any other southern, western, or midwestern state as a result of the state's rural electrification program. And only five states electrified more farm homes during the past year than North Carolina, according to the state's Department of Conservation and Development. During the year a total of 1,946 miles of rural electric lines was built or authorized in the state, serving 11,783 rural customers, of whom 10,251 were farm homes. The record made from July 1, 1935, to February 1, 1938, is regarded as even more impressive. In this period 7,392 miles of rural electric lines were built or authorized at a total cost of \$7,517,666, serving 43,066 customers.

Not a single mile of these lines has been built by the North Carolina Rural Electrifica-

tion Authority and not a penny of state funds has been expended in their construction. The state authority has made surveys of rural electric needs, has aroused the interest of rural people in electricity, and pointed out where rural lines have been needed and particular areas where the people have wanted lines. It has encouraged the Rural Electrification Administration in Washington, public utility companies, and municipally-owned electric companies to build as many miles of lines as possible.

Of the 7,392 miles of rural lines either built or authorized during the time the state authority has been in operation, 6,012 miles have been built or authorized by the utility companies, 552 miles by municipalities, and 817 miles by the Rural Electrification Administration in Washington. With the demand for rural electric lines continuing undiminished the North Carolina Rural Electrification Authority feels that its work is scarcely half completed. Electric service is now being supplied to only about fifty thousand farms and indications are that at least another fifty thousand farm homes will use power as soon as it is made available.

*

Elimination of Five Thousand Elective Offices Urged in Indiana.

Abolition of the 1,016 townships and reorganization of the ninety-two county governments in Indiana, in the interest of improved administration and lower cost of government, would bring about the elimination of five thousand elective offices, according to a proposal of William P. Cosgrove, chief examiner of the state accounts board, of which he has been a member for fifteen years. His plan, stated to be the result of a two-year survey, contemplates the organization of the seven constitutional officials of each county—auditor, treasurer, clerk, recorder, sheriff, coroner, and surveyor—as a board of county administration; 368 other elective county offices would be abolished. Townships would be continued only for purposes of levying taxes to retire existing debt; administration would be transferred to the counties.

H. M. O.

*

Virginia County Resists Change.—On May 12th Chesterfield County for the second time in seven months voted against changing its form of government. The vote was 1,736

for and 2,170 against changing to either the manager or county executive type. An act passed by the last General Assembly makes it possible for the board of supervisors of this county to appoint an executive secretary and purchasing agent at a salary of \$3,000 thus permitting some steps to be taken in the interest of better administration, but carefully protecting the board from any reduction in power or change in manner of election.

TAXATION AND FINANCE

Edited by Wade S. Smith

Tax Exemption Question Still Pending.—

As this is written, the 1938 revenue bill, ratified after conference by Senate and House, becomes law without the President's signature. It contains nothing to change the present tax-exempt status of federal and state and municipal bonds, nor of federal and state employees' salaries. Whether separate legislation will be introduced to carry out the President's April recommendation that the federal and state governments be given the power to tax income derived from future issues of government bonds and income of government office-holders remains, of course, to be seen; meanwhile, controversy continues to center around the proposal.

Opposition to the proposal to end the tax-exemption of government bonds comes from two principal sources—the holders of such bonds and officials of the municipalities and states which issue them. So far as this department is aware, there has been no vocal opposition to termination of the tax exemption enjoyed by federal and state employees, except of course as federal and state salaries are bracketed with income from government bonds in a consideration of the legal aspects of the problem.

That taxation of income derived from federal, state, and municipal bonds would result in an increase in the interest rate for such securities is generally admitted. At present the fact that income from such obligations is exempt from federal and state income taxes is a very real consideration in their marketing, and is usually designated as one of the principal reasons for the spread between interest rates on governments and on other prime securities. Just how much this differential in favor of government bonds amounts

to is a matter of conjecture, with some authorities holding the tax-exemption feature is worth up to one point on the interest coupon. In other words, it is held by some that a tax-exempt government bond at, say, 4 per cent per annum would have to carry a coupon of perhaps 5 per cent to be equally attractive to investors were income derived from it subject to state and federal income taxes. It is the contention of some authorities that this spread is pivotal in the minds of many investors when they make the decision as to whether to put their capital into industrial and commercial securities or into governmental obligations. They hold that it is the tax-exemption feature which gives governments their admittedly preferred position in financing their capital requirements.

It is this conception of tax exemption as the root of the competitive advantage of governments which underlies the objections of bondholders, bond dealers, and local officials to the proposal that the income of government bonds be subject to the income tax. Bondholders foresee the impairment of the attractiveness of their holdings, bond dealers fear at least a partial collapse of the municipal bond market structure, and local officials prophesy an increase in their financing costs which must be passed on to the state and municipal taxpayer in the form of higher local taxes.

There can probably be little argument but that the taxation of governments after their long and traditional exemption would at least temporarily have an adverse effect on the marketability of such securities. That it would be a permanently adverse effect, however, is by no means as clear. There is a considerable body of opinion which holds that the competitive advantage of governments over private enterprises in borrowing money lies in the greater inherent security afforded by federal, state, and municipal obligations. This attitude is succinctly expressed in the general statement that government obligations will be the last to turn sour under the worst economic or political conditions imaginable. Thus, while there may be wide range in the credit of individual governmental units, governmental obligations, class for class, offer greater security of principal than any other type of investment. Those adhering to this point of view maintain that governments are largely

held by insurance companies, investment trusts, and fiduciaries, and even private individuals, to whom security of principal is of paramount consideration and to whom any net return whatever must perforce be acceptable. Were tax exemption of governments terminated, these observers acknowledge that there might be a short readjustment period, but maintain that thereafter federal, state, and municipal bonds would gradually regain their preëminence, since no matter how their income-earning potentialities might be impaired they would continue to afford the greatest security of principal.

What would actually happen were governments made subject to federal and state income taxes probably lies somewhere between these two positions. Taxation of government bond income, however, would be accompanied by effects other than those on the marketability of this type of investment. Such effects, it seems to this department, have been largely neglected. They may be developed most briefly by considering the answers to the question, to whom would the benefits of taxation of government bonds accrue?

Considering first the taxation of income from federal bonds by the states, it is evident at once that a considerable disparity of benefit would exist. Approximately a third of the states have no income tax law at present, and would be ruled out at the beginning from receiving any increase in revenues by the termination of the present tax exemption. Of those states with income tax laws, moreover, perhaps two—New York and Massachusetts—may be cited as standing to gain disproportionately because of the presence in them of financial centers in which large holdings of capital are concentrated. That there might be some shift in the situs of federal bondholdings to non-income tax states is, of course, conceivable, but might just as conceivably be counterbalanced by adoption of income tax laws in such states.

As to the federal government's taxation of income from state and municipal obligations, the benefit is obvious. Apart from the aggregate amount of such revenue which might accrue, not a state or local governmental unit with obligations outstanding would fail to contribute what would become federally taxable income. Since the number of so-called debt-free local units is relatively small—short-term borrowing being used even by most of those

without capital debt—it is evident that practically every state and local unit would be indirectly concerned. If the termination of tax exemption resulted in any increase whatever in borrowing costs for these units, it would mean increased tax charges for local taxpayers. Moreover, there would be no reciprocity about the increase as far as the local units (and those states without income tax laws) were concerned, since their increased outgo would not be balanced to any extent whatever by increased revenues from taxation of income from federal bonds.

Were the income tax available to every unit whose bonds it is proposed to subject to the income tax, some reciprocity would exist. The non-income tax states might adopt income tax laws. But the income tax has never been seriously proposed as a feasible form of taxation for the municipal subdivisions. The net effect would be inevitably, therefore, that local property taxpayers would "ante up" for the benefit of the federal coffers. Such increased local taxation might be offset by federal grants-in-aid to municipalities based on bond income tax incidence, but this cumbersome procedure would, even if practicable, amount to nothing more than a bookkeeping transaction better avoided in the first place.

Even if the local property taxpayers are to be left holding the bag, the change to taxation of income from government obligations might be justifiable if it served to remedy a gross inequality in the tax structure. That the change would do so is, in fact, the contention of the President's message. The message conceives government obligations held chiefly by "men with great means best able to assume business risks" while "men with little means who should be encouraged to hold the secure obligations of the federal and state governments" have been forced to forego the advantages of tax exemption because of their greater need for higher returns. In brief, this conception seems to this writer only partially sound. Governmental bonds are issued predominately in denominations of one thousand dollars, and are necessarily bought outright. The man of little means is practically barred from holding any great amount of government obligations, and as long as governmental units require any large amounts of capital, this must inevitably be so. The "little man" financially usually makes a

succession of relatively modest investments—his home, purchased on a mortgage, other real property, likewise purchased on the deferred payment plan which the real estate mortgage affords, and perhaps his business in which he gradually acquires a larger and larger equity. Therefore, to just the extent that the man of large means (including the insurance companies and other fiduciaries by whom the larger blocks of government bonds are held) becomes subject to taxation which he has heretofore escaped, the little man as home owner or rent payer will be called upon to pay the increased financing costs of his local governments in the form of higher property taxes.

Under our present tax structure—if it may be called a structure at all—termination of tax exemption of government bond income would appear to benefit the federal government more than any other unit, and at the direct expense of the local property taxpayer. Apart from any considerations of the legality or constitutionality of the President's proposal, therefore—and it is necessarily assumed that such taxation if not now constitutional could be effected by a constitutional amendment—continuation of the tax-exempt feature of government bonds is to the present advantage of the municipalities and the local taxpayers.

*

Taxation of Port Authority Salaries Upheld.—In a five-two decision delivered May 23rd by Justice Stone, the Supreme Court of the United States held that the salaries of officers of the Port of New York Authority were subject to a federal income tax. Although the text of the decision is not yet available, the court is reported to have distinguished between the kind of functions performed by state employees and to have held that taxation of salaries of officers of the port authority "neither precludes nor threatens unreasonably any function essential to the continued existence of state government." Justices Butler and McReynolds, dissenting, protested that the decision displaced the older doctrine of immunity of states' instrumentalities from federal taxation.

While the importance of the majority decision cannot be denied, it must not be overlooked that apparently the court has set up a test—the "essentialness" of the function—which would in all probability prevent any wide extension of the federal taxing power to

the older of the traditionally immune state agencies. The court at the same time upheld the right of the government to levy a 10 per cent tax on tickets to football games promoted by the University of Georgia and Georgia School of Technology, saying that "the immunity implied from the dual sovereignty recognized by the constitution does not extend to business enterprises conducted by the states for gain." This may indicate, at least for the immediate present, the practical application of the port authority decision.

*

Relief Crisis in Ohio.—Cleveland, with no funds for the care of its very neediest cases since the middle of May, is the worst off of Ohio's industrial cities as relief case rolls mount and public funds dwindle. State relief funds for Toledo were exhausted March 17th, and Dayton and Columbus have been without state funds for relief since May 1st, according to press dispatches. Failure of the last state legislature, in which a political feud between factions in the administration and Ohio's well known urban-rural antagonism played their parts, to provide a substitute for the state relief agency which expired in April, 1937, is the immediate cause. Secondary is the financial stringency imposed on Ohio cities by the one per cent tax limitation amendment, which effectively prevents the larger cities from levying sufficient funds for ordinary operations and leaves no leeway whatever for local support of emergency relief costs. A special session of the legislature was called for May 16th, with the cities prepared to throw the present crisis in its lap.

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Trend of Tax Delinquency, 1930-1937.—In 1937, for the fourth consecutive year, the collection of general property taxes in the average city continued its rise from the low point of the depression, according to Dr. Frederick L. Bird, whose seventh annual survey of tax delinquency since 1930 has just been published.¹

The 1937 rate of increase was slower than for the three previous years, however, probably as the result of the reversal in business which gathered momentum during the closing months of 1937, the survey points out.

¹*Trend of Tax Delinquency, 1930-1937, Cities of Over 50,000 Population.* By Frederick L. Bird, Municipal Service Department, Dun & Bradstreet, Inc., New York, 1938.

Compared with an average peak delinquency in 1933 of 26.35 per cent for the 190 cities studied, the average for 1937 was only 11.3 per cent. The average for 1936 was 13.9 per cent.

Of interest is the fact that while in 1936 some forty-six cities had a better current tax collection record than in 1930, last year fifty-eight municipalities bettered their 1930 records.

For a majority of the fifty-eight cities showing a steady improvement in collections, changes in tax collection procedure or more vigorous collection methods were a contributing or dominating influence, Dr. Bird emphasizes.

At least twenty-four cities had the distinction of closing their 1937 fiscal years with 5.6 per cent or less of the year's taxes uncollected. Of this group, nine were California cities, and four New York cities, the others being scattered through eight states.

This "honor roll" group includes:

CITIES WITH NOTABLY LOW TAX DELINQUENCY,
1937

	Per cent
Madison, Wis.	0.5
Kenosha, Wis.	0.6
San Francisco, Calif.	1.5
San Jose, Calif.	1.8
Birmingham, Ala.	1.9
Berkeley, Calif.	2.1
Fresno, Calif.	2.3
Buffalo, N. Y.	2.7
Oakland, Calif.	2.7
Mobile, Ala.	2.8
Sacramento, Calif.	3.2
Cincinnati, Ohio	3.8
Denver, Colo.	3.9
Pasadena, Calif.	4.3
Davenport, Iowa	4.5
Peoria, Ill.	4.5
Niagara Falls, N. Y.	4.6
Schenectady, N. Y.	4.6
Los Angeles, Calif.	4.7
Long Beach, Calif.	4.9
Canton, Ohio	5.1
Binghamton, N. Y.	5.3
Providence, R. I.	5.4
Bridgeport, Conn.	5.6

While Madison and Kenosha, Wisconsin, head this list statistically, their ratios of less than 1 per cent delinquency are better than the actual delinquency levels in their areas since, under the Wisconsin tax system, they

are permitted to retain all collections to a certain date on both city and county levels. The most distinguished record, therefore, belongs to San Francisco with a delinquency of only 1.5 per cent and to the northern California area in general, where the highest delinquency ratio among six cities was 3.2 per cent. The only other cities which fared as well as this northern California group were Birmingham, Buffalo, and Mobile.

"The wide variation in the stability of tax collections during recent years reflects something of the uneven susceptibility to the effects of business depressions of various types of cities," the survey states. "While comparative analysis discloses that the varying quality of tax collection administration played some part in the results, the evidence is clear that financial planning in American cities cannot follow one set pattern, but must be definitely related to economic characteristics."

Indicating the range of tax collection stability, the survey lists twenty cities whose tax delinquency records have been most stable during the 1930-1937 period, and twenty whose records have been most unstable.

Highly stable collection records during the eight years have been established by Albany, New York; Atlanta and Augusta, Georgia; Berkeley, California; Binghamton, New York; Dallas, Texas; Denver, Colorado; Fresno, California; Hartford, Connecticut; Louisville, Kentucky; Manchester, New Hampshire; Niagara Falls, New York; Oakland, California; Providence, Rhode Island; San Francisco, California; San Jose, California; Savannah, Georgia; Syracuse and Troy, New York; and Wilkes-Barre, Pennsylvania.

On the basis of total collections in 1937, both current and delinquent taxes, the average for 121 cities was 102.9 per cent of the current levy, and in only thirty-five of these cities did the total collections for the year fall below 100 per cent of the current levy.

While tax collections during the early part of 1938 appear to be holding up well in representative cities, it is reasonable to expect that the total property tax income for 1938 as a whole will be considerably less satisfactory than during 1937. The collection of delinquent taxes is proceeding less favorably than last year, and it will not be possible for cities to balance 1938 budgets this year with the same facility with which they did in 1937.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

P. R. Amendments in New York Convention.—On May 25th and 26th four proposed constitutional amendments to require "proportional representation with a single transferable vote for each voter" for future elections of the New York legislature were introduced in the constitutional convention at Albany.

Edward F. Corsi, deputy welfare commissioner of New York City and one of the eight Republican delegates-at-large, introduced two measures to apply P. R. to the senate and assembly respectively, each measure leaving one house unchanged. Judge Charles Poletti of the Supreme Court, chairman of the constitutional convention committee appointed by Governor Lehman which prepared factual data for the use of the convention and one of the seven Democratic delegates-at-large, introduced two measures for a complete application of P. R., one to both houses of a bicameral legislature and one to a unicameral legislature. Thus all the principal ways of applying P. R. to the legislature have been put before the convention with good bipartisan sponsorship and in good form.

The four proposals were drafted as a single program and use the same districts and provisions wherever the subject matter corresponds. The unicameral and senate proposals use as districts the present judicial districts outside New York City and the five boroughs in New York City, with Nassau and Suffolk Counties, which form part of a judicial district with parts of New York City, as a separate district. Each district would elect one member for every 60,000 valid votes cast within it and an additional member for a remainder of two-thirds of the 60,000 quota.

The assembly proposals use smaller districts—in most cases two to a P. R. senate district—and a quota of 25,000, with an additional member for a remainder of two-thirds of a quota. There are thirteen senate districts and twenty-five assembly districts.

The number elected in each district by P. R., and the total number in each house, would vary with the size of the vote, providing an automatic solution of the knotty problem of reapportionment. The assembly vote of 1937

would have resulted under the P. R. proposals in a senate of sixty-four members, thirty-one from New York City and thirty-three from the rest of the state, and 157 assemblymen, seventy-six within New York City and eighty-one outside.

The same vote would have given representation to both major parties in every district except the one single-member district, the senate district of Staten Island. In New York City it would also have given the American Labor Party representation in four of the five New York City senate districts and in eight of the ten New York City assembly districts.

Since the total assembly vote of the two major parties happened to be almost identical in 1937, this vote under the P. R. plan would have given them equal representation in the senate—twenty-nine Republicans, twenty-nine Democrats, five American Labor and one City Fusion. In the assembly the larger number of districts and their fractional variations from exact multiples of the quota would have distorted the proportions slightly and resulted in the election of seventy-three Republicans, sixty-seven Democrats, thirteen American Labor, and four City Fusion. The present legislature has a Democratic majority of twenty-nine to twenty-two Republicans in the senate and a Republican majority of eighty-four to sixty-one Democrats and five American Labor in the assembly.

The measure most favored by the civic groups which are actively supporting P. R. for the legislature—including in New York City the Merchants Association, the Men's and Women's City Clubs, the City Affairs Committee, the Young Men's Board of Trade, the Women's Trade Union League, and the Citizens Union—is the Poletti proposal for a unicameral legislature elected by P. R. The one which is receiving most attention in the convention, however, is the Corsi proposal for a P. R. senate and an assembly elected on the present basis. There is strong sentiment in the Republican majority of the convention for keeping one house on a geographical basis weighted in favor of the sparsely settled regions as the assembly is now, in order to prevent New York City from gaining absolute control of the state if it should grow sufficiently to poll a majority of the votes.

*

P. R. Bills Pass in Massachusetts.—Two bills pertaining to P. R. have now been passed

by the Massachusetts legislature and signed by Governor Hurley, the first on May 25th, the second on June 1st.

The first of these bills to become law serves to clarify a P. R. law passed last year, chap. 54A of the general laws. This new draft, the work largely of the legislative counsels, Fernald Hutchins of the senate and Henry D. Wiggin of the house, includes more careful definition of terms and prevents certain duplications. It also permits the election officials to use any method of handling excess first choices that was being used in any city of the United States on January 1, 1938. The bill covers the same groups as last year's bill; it is available for all school committees and boards of selectmen, and for all city councils except Boston's. In addition, any mayor, including the mayor of Boston, may be elected by preferential voting.

The second measure, the "Cincinnati plan" for city manager and P. R. combined, is substantially the same measure that was vetoed by the governor last year. The veto message referred the measure to a recess commission which had been set up to consider numerous matters and this commission reported favorably. In providing for a city council of seven or nine elected at large by P. R., which in turn hires the city manager, it provides a fifth optional form of government available to all cities in Massachusetts except Boston. There has been a considerable body of opinion behind the bill from various parts of the state, the most active leader in its behalf being Chandler Johnson of Cambridge.

H. C. LOEFFLER¹

Boston Municipal Research Bureau

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P. R. in the National Education Association.—The Hare system of proportional representation is now used in some of the elections of members of official committees of the National Education Association, which will be holding its annual convention this year in New York City, June 26th to 30th.

At the convention of the association held

¹The writer of this note, Mr. Loeffler, has been one of the most effective proponents of P. R. in Massachusetts. He assisted the legislative counsels materially in the preparation of the first bill mentioned in the note.—Editor.

in Portland in 1936 a by-law was adopted providing for the election of a publishing committee of five members. The by-law provided that the Hare system of P. R. be the method used in electing this committee by the representative assembly. The representative assembly consists of about twelve hundred members duly elected by large groups of teachers and educators and sent from all parts of the United States and its territories. The results of that first election were entirely satisfactory to all of the major groups of the representative assembly.

The executive committee of the National Education Association is made up of nine members as follows: four are ex-officio, two are elected annually by the board of directors, and three are elected by the representative assembly. At the convention of the association held in Detroit in 1937 a by-law was adopted providing that the Hare system of P. R. be used in the election of the three members chosen by the representative assembly. This by-law was adopted early in the convention and the system was, therefore, used in electing the members of the executive committee for the year 1937-38.

The Hare system was, of course, used again in 1937 for the election of a publishing committee. The results of this second year's use of the system again seemed to be entirely satisfactory.

Many members and delegates of the association favor the adoption of the Hare system for all elections in the association.

REUBEN T. SHAW

Philadelphia

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P. R. Charter Under Fire in Wheeling.²

At the meeting of the Wheeling city council on May 31st, Hon. Carl G. Bachmann, four times member of Congress from the first district of West Virginia and former Republican whip of the House of Representatives, presented a petition bearing the names of 11,400

²When so fundamental a change in election methods as the adoption of P. R. is made, an attempt at repeal such as that described here is naturally to be expected from those who profit by the old system. So far there have been seventeen such attempts which have come to a vote in various P. R. cities in this country. P. R. was upheld in all but two.—Editor.

voters of Wheeling, asking that a special election be called for the purpose of electing a charter board to frame a new charter for Wheeling. The petition also stated that its signers favor a return to the ward and partisan system of council elections. Thus was presented the first direct attack, under the new West Virginia home rule law, on the Cincinnati-plan charter of Wheeling, which was adopted by popular vote on April 18, 1935. Council has no alternative in the matter, and the special election on the question, "Shall a charter be framed by representatives of the voters?" (and to elect the eleven charter board members as well if the answer be "yes") must be held within sixty days of the filing of the petition.

The sponsors of this petition, using the misleading name of Home Rule Committee, are the same persons who opposed the charter in 1935—supplemented by a considerable number of others who feel that the faults of the present city administration are the faults of the charter itself.

The opponents of the charter were caught by surprise in 1935, but now they are well organized and militant, while the charter supporters have not yet perfected their organization. The Wheeling Association, however, sponsor of the charter in 1935, is rapidly perfecting an organization to do battle, and has some excellent campaign literature already prepared. The main attack has been made on P. R., and the ward system is being urged as a substitute. Before P. R. came in 26 per cent of the votes was sufficient to control any primary election, whereas under P. R. 85 per cent of the ballots were effective.

It is a difficult campaign, and frankly the outcome is hard to predict. The election will be in the middle of summer—always a good time for a political machine but a bad time for independents. Then, too, the 11,400 signatures to the petition represent more than half of the votes cast at the 1935 charter election and more than half of the votes normally cast at any council election. A majority of those signers can be expected to go to the polls before ten in the morning and cast their ballots against the Cincinnati plan, and that is a big handicap to start with.

There are other reasons which add to the

difficulty. In 1935 those persons who were charged with the responsibility of preparing the Wheeling Association's council ticket failed to do so, and the result was that the association did not present a strong enough list to the voters and only three instead of a majority were elected. While all of the councilmen are high calibre men, they have, until very recently, lacked in cohesion and leadership, and failed to produce a program. The choice of a city manager was a compromise, at a low salary. While he is an honest and conscientious public official, he has failed to produce a program, has been unable to cope with a very deplorable condition in the police department, has failed to consider the seemingly trivial complaints of citizens, and in general has failed to arouse any real enthusiasm in his behalf while incurring the enmity of many.

The combination of these factors, plus the fact that the charter is on the defensive and without an outstanding record such as those of Cincinnati, Toledo, Hamilton, and other P. R. manager cities, makes the task of preserving the charter a difficult one. As stated by Councilman Duffy, when the petition was presented to council, "The Cincinnati plan has not had a really fair chance."

On the other hand, it is probable that a majority of the citizens prefer the Cincinnati plan, and that its opponents are in the minority. The overcoming of inertia, hot weather, vacations, and misleading propaganda, and the building up of an organization to present the bright side of the picture, so as to get the majority of charter supporters to the polls, are the main problems of the association. If it can arouse the same enthusiasm that it aroused in 1935, the Cincinnati plan will be saved. And there is a bright side to present. A balanced budget for the first time in thirteen years, no more "fixing," no patronage, increased revenue, etc., all make good sales talks. And even if a charter board is elected, there must be another election to accept or reject the charter to be proposed by the board. The association feels that, if unsuccessful in the first election, it stands at least an even chance later on.

JULIAN G. HEARNE, JR.

The Wheeling Association

PLANNING

INCLUDING ZONING

Edited by

Alfred Bettman and Walter H. Blucher

New Planning Statutes for New York Local Governments.—The legislature of the State of New York has recently enacted three statutes which represent a splendidly progressive step in planning legislation. One of them relates to cities, one to towns, and one to villages (chapters 205, 264, and 44 of the laws of 1938). Otherwise they are substantially alike.

Each contains a section authorizing the planning board to prepare a comprehensive master plan for the development of the entire area of the community. There is a list of functional subjects to be included in the plan, and while some subjects have been omitted which might well have been included, a significant fact about the list is that it includes zoning and housing, thus recognizing that the zone plan is a part of the master plan and that housing is a subject to be dealt with through comprehensive planning procedure.

The remainder of each of these statutes is concerned with subdivision regulation, and contains provisions which experience has shown to be needed to shut the gates against typical evasions of subdivision regulation.

For instance, there is a provision which makes the planning board's approval of a plat expire ninety days from the date of the approval unless within the ninety days the plat is recorded. This guards against well known complications when the approval of the preliminary plat is obtained and the subdivider then proceeds with the erection of buildings and other developments without recording.

Another interesting feature is that conformance to the official map and master plan may be required, and that approval may be withheld if the land is such that it cannot be used safely for building purposes without peril from fire, flood, or other menace.

These statutes furthermore contain pro-

visions, already present in the statutes of many other states, which permit the requirement of street improvements and sewer, water, and other utility installations before approval of the final plat is obtainable.

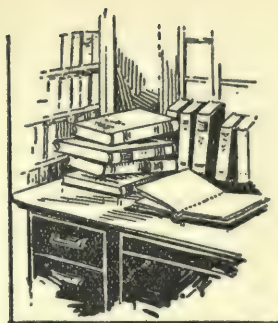
In many places attempts have been made to evade subdivision regulation by marking the streets as private streets and not dedicating them and then claiming that public regulation applies only where streets are public or dedicated. The Department of Commerce's model bill and the Bettman forms in the Harvard volume on model planning laws were purposely worded to require the planning commission's approval of every subdivision regardless of whether it includes new streets or regardless of whether the streets are given a public or private status; and, where the question has come up on these forms, the courts have carried out that intent. These New York statutes expressly, and without leaving anything to inference or judicial construction, provide that every street on a plat is deemed to be a private street until it has been formally offered for cession to the public; thus making the plat subject to approval by the planning commission whether the streets be or be not dedicated. Improvement of a street by the public is prohibited until it has become a public street, and improvement of the street, whether public or private, is required before a permit may be issued for the erection of buildings to which the street is to furnish access.

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Planning Conference in Minneapolis.

A conference on planning, under the joint auspices of the American City Planning Institute, American Planning and Civic Association, and American Society of Planning Officials, will meet in Minneapolis on June 20-22. Foremost among the topics to be discussed will be large scale housing programs. Other topics will include urban zoning and land policies, rural zoning, national, state, county, and regional planning, problems resulting from migration of population, and traffic studies in relation to city planning. Speakers will include many experts in the planning field, government officials, etc. Governor Elmer A. Benson of Minnesota will open the conference and Governor E. D. Rivers of Georgia will address the dinner session on June 21st.

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

Urban Blight and Slums. By Mabel L. Walker (with special chapters by Henry Wright, Ira S. Robbins, W. Phillip Shatts, Kenneth H. Zabriskie, A. C. Shire, and Richard U. Ratcliff). Cambridge, Mass., Harvard University Press, 1938. xvi, 442 pp. \$4.00.

As the subtitle, "Economic and Legal Factors in Their Origin, Reclamation, and Prevention," indicates, the work of Dr. Walker and her associates is a treatise which looks behind the social argument against urban blight and the slum and essays to examine the causes and project the remedies. It is intelligent and able. The book is important both for what it does and for what it obviously cannot do. The authors are in no position to propose an immediate course of action that would be effective. Public opinion is not yet ready for action. The authors do, however, reveal the inadequacy of present machinery for dealing with the problem of slums. They record not only the direction which thought and effort have taken up to the present time but they clear the stage for a more intelligent approach. The Harvard School of City Planning should be criticized, however, for sending into the world a book containing such a mass of source material without the benefit of an index to facilitate ready reference to it.

Mr. Zabriskie in his chapter on mortgage financing lays his finger on the failure of Americans to emphasize the importance of the eventual retirement of the debt. He stresses both the economic and the social desirability of the amortizing mortgage. Then he proceeds to state: "Money is a commodity, the use of which is bought and sold, and the price of its use is interest. In a free competitive market that price—the rate of interest—varies with supply and demand just as

do the prices of any other commodity." After some discussion of the monopoly of the supply of money, which he concludes does not exist since five different types of institutions are engaged in mortgage financing today, he returns to an able discussion of unnecessary risks which under prevailing practice tend to keep money rates up. Mr. Zabriskie writes with clarity and discretion when he recounts the unnecessarily high legal costs of foreclosure. It is probable that some lawyers might be as unconsciously blind to the existence of this evil as is Mr. Zabriskie to the full consequences of the commodity theory of money.

Blind spots are to be noted also in the scholarly legal discussions of Mr. Robbins in his chapters dealing with "Problems in Land Assembly," "Common Problems in Rehabilitation Procedure," and "Proposed Rehabilitation Procedures." For instance, Mr. Robbins backs up Mr. Blucher's criticisms of the proposals of the National Association of Real Estate Boards for neighborhood protective and improvement districts on the ground that the proposals have "weaknesses from the planning point of view. . . . It should not be left for determination by the property owners (who may, however, legitimately stimulate appropriate action) or by the courts." Throughout Mr. Robbins' discussion is an apparent failure to realize that the chief problem before planners is to get individuals to think and plan intelligently rather than do the thinking, planning, or acting for them. The efforts that have been made to stimulate group action and neighborhood planning by existing property owners and mortgagees have been subordinated to fears lest the results of such group effort might be less perfect than the efforts of an "ideal" dictatorial planning or housing au-

thority. Mr. Robbins is a realist, however, when he says that "it is doubtful whether any real headway can be made toward obtaining experiments in the practical application of the theories (of group action) under discussion until the representatives of the various interests become as active in studying the problem as its chief sponsor has been."

Here lies the paradox of blighted areas and slums. It is those who are most interested who are the least aware of the complexities of the problem and who are the least prepared to cope with them. On the other hand the experts are as much individualists in their specialities as are the perplexed property owners and mortgagees. Dr. Walker's book should do much to point the way to the need for a common language and an integrated method of procedure. Her own work is able and stimulating, particularly her chapter on "Increment Tax on Land Values." Under "Analysis of Governmental Rôle," she declares, "Temporarily and perhaps permanently, a federal housing subsidy is needed." Then without further argument she decides that, "It should not be a rent subsidy, a tax subsidy, nor a subsidy to landowners and the holders of obsolete property."

Although her argument may in this case seem arbitrary, she shows tolerance and understanding when she declares that "The most effective governmental rôle is that of regulation and stimulus. There is no reason for considering the two antipathetical. Government must create the framework within which industry can operate effectively. . . . The federal government has a responsibility, and a large one, . . . but it is infinitesimal compared to the responsibility of local governments. There can be little help for them until they help themselves. Theirs is the predominant rôle in rehabilitation and housing which no one can take from them. To criticize our cities for much of what has happened, however, is to criticize them for not being omniscient. We cannot expect public officials to be very much ahead of the wisdom and temper of their times."

Dr. Walker's book should help to clarify the question which still confronts us. This is, "How are individuals in a democracy to work together to lift themselves and their society out of the chaos which mere blind

individualism has imposed upon city growth?"

ARTHUR C. HOLDEN

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Government Proprietary Corporations in the English Speaking Countries. By John Thurston. Cambridge, Mass., Harvard University Press, 1937. xii, 294 pp. \$3.50.

The great war and the great depression have made it necessary for the national government to carry on certain activities which do not come within the definition of "governmental" in the sense of regulating the relationships between persons and the property of persons. These activities come better under the definition of "economic," though the word must not be interpreted too narrowly. For many reasons it was deemed better to have these functions carried out by agencies set up on the patterns and operated somewhat by the methods of the generic type of organization used throughout the world of private business—the corporation. Other nations have come to use the same device though the urge has not been caused so often by the demands of war or hunger.

A study of this "form of organization for the public operation of economic undertaking," to use the author's compressed definition, has been overdue. It includes such corporations in five English-speaking countries—Great Britain, Canada, Australia, South Africa, and the United States.

First the legal status of these bodies is examined at length. Here foreign laws and courts give us little light in the jungle of decisions our state and federal courts have been called upon to make, because with us it is the judge, rather than the legislator or the administrator, who is ultimate sovereign. Whether a court has veered to the view that the government must be considered as a principal and the corporation its agent, or to the view that it must be regarded merely as a stockholder, even when no stock has been issued, has affected the decisions on the power of the corporation to sue or to be sued, on the right of state governments to tax it in any one of several ways, and to tax the incomes of its employees. The power of the federal government to tax its own creature has led to much litigation. Some of the corporations have been set up under the provisions of certain state laws and so the opinions of Chief Justice Marshall in the famous *McCullough vs. Maryland*

and Bank of the United States vs. Planters' Bank of Georgia cases have been used by both pleaders and adjudicators. The concluding section, "Theoretical Considerations," is not as theoretical as its title implies and should be read by any judge who wants to help make this instrument achieve the usefulness it should.

The financial set-up of the thirty-three such corporations in this country is examined as a whole. Our own and the foreign methods of securing capital, charging for goods and services, dealing with deficits, etc., are reviewed. One could wish that this phase of the study had been given more than the scant forty-five pages it receives. The impression is so common that government is simply a spending agency that the man in the street thinks this must be true of a government corporation. Hence instances of successful financial operation would not only correct this view but furnish a pattern for existing and projected government corporations.

The thorny problem of the management of such corporations has been brought to present public attention by Dr. Arthur E. Morgan and his inability to agree with the other two triumvirs of the TVA. The author feels that the representation of concerned interests on the boards of directors is not advisable but consultation with official representatives, if there be such, of those whose interests are affected by the corporation's actions, is advisable. He inveighs against the interference of politicians, but instead of having employment under civil service, he would have the civil service commission determine by survey whether the merit system is being applied—a task which this reviewer thinks the commissioners would contemplate with wry faces.

Control by stockholders of private corporations has been found to be difficult and control by the public of these new agencies which it theoretically "owns" is proving the hardest problem of all. The advisory council, composed of those whose interests are touched, is the author's major reliance.

How they should be set up, what powers of investigation they should have, if any, are not indicated. Where this book ends is the place for another to begin.

Democracy is a way of collective life which will continue to evolve new forms to fit its many functions. The governmental proprietary corporation is one of the latest of these.

This book comes as near a moving picture as one can expect in print of this rapidly changing form. Also it gives as explicit and wise counsel for the control of the device as can be offered at this time to those who deserve the high title of statesman. We can depend on the public or quasi-public servants, who after all are these corporations, to do their bit, for the author significantly says that "loyalty and efficiency are widely found."

WALTER J. MILLARD

*

The A B C of Municipal Bonds. By Louis S. Leventhal. New York City, Harper & Brothers, 1937. viii, 166 pp. \$1.50.

There have been a great many attempts made to simplify complicated subjects for lay readers. *The A B C of Municipal Bonds* must be classed as one of the more successful of these. It deals with the subject of municipal bonds in language which any ordinary adult fortunate enough to have money to invest in bonds can understand.

In the course of this short book the author resorts to three different devices for simplification. The first of them is a realistic account illustrated by newspaper clippings, copies of resolutions, etc., of an actual bond issue of the town of Red Bank, New Jersey. This, in the reviewer's opinion, is the best of the devices, for it gives an admirably clear account of the various steps involved in issuing municipal bonds.

From that point the author takes up the history of a bond from the time it is printed until it is cancelled, allowing the bond to tell its own story. There is, of course, something intriguing about a talking bond and the reader's interest is strongly sustained. After a very brief history of municipal bonds, the bulk of the book is taken up with a dialogue between a new bond salesman and the sales manager of a bond house, in which, by the question and answer method, many of the advantages of municipal bonds as an investment are brought out.

Anyone who will read this book will get to know practically everything that any person not an expert in the bond business needs to know about municipal bonds. It is difficult to imagine an easier way to get this interesting information. The book is obviously written by an enthusiast for municipal bonds. A specialist in corporate bonds might perhaps

feel that the case for his kind of an investment had not been stated as forcefully as he might wish. If the reader will bear this in mind, he will find that in all other respects Mr. Leberthal's little book can be thoroughly relied on as the gospel of municipal bonds.

There is one interesting though entirely incidental question which is raised by Mr. Leberthal's chapter on the first municipal bond—as to whether the bills issued by the colony of Massachusetts Bay in 1690 were bonds or money. Mr. Leberthal leans to the opinion that they were bonds. They possessed some of the attributes of both. Being based upon taxes actually levied to meet them, they seem in this respect like a bond, but having no maturity date, bearing no interest, and passing from hand to hand without endorsement, they seem like money. The fact that after a couple of years they were made legal tender, adds additional weight to that argument. The reviewer, however, would like to suggest to Mr. Leberthal that we compromise and call them "scrip," of which we have had so many examples during the depression.

THOMAS H. REED

*

Crime Control by the National Government. By A. C. Millspaugh. Washington, D. C., The Brookings Institution, 1937. 306 pp. \$2.00.

In the two-century-old warfare raging about the question of centralization versus decentralization, this book is an additional brickbat, novel because of the temperate manner in which it is heaved. Mr. Millspaugh has uncovered a good deal of positive information on the vast ramifications of the federal police system, but he has refrained from advocating that the federal government forthwith take over all local police functions, or vice versa.

The book is a jauntily written description of the nature of the police work done by almost all the federal departments, the manner of its organization, its internal efficiency, and its relationship to similar work performed by the states and the municipalities. Although the author makes certain tentative recommendations regarding internal reorganization, he advocates more detailed study of the problem before any conclusions are reached. He is, on the whole, cold both to further centralization of crime control activities and to further decentralization, finding

in the light of cold fact a good deal of exaggeration in the arguments advanced by both camps.

MIRIAM ROHER

*

The Municipal Year Book, 1938. Clarence E. Ridley and Orin F. Nolting, Editors. Chicago, International City Managers' Association, 1938. viii, 619 pp. \$5.00.

Not only is the *Municipal Year Book* the most comprehensive record of the year's developments in the municipal government field, it is the *only* single authoritative source of vital facts about the administration of American cities.

During each of the five years in which this remarkable volume has been issued, it has been steadily improved and its scope enlarged. Dependable authorities trace accurately the progress of municipal activities and there are numerous summaries and statistical data which make the volume indispensable for municipal officials, libraries, governmental research workers, academicians, and others who wish to be thoroughly informed concerning city affairs.

The book is divided into five parts:

1. *Résumé of Municipal Activities in 1937*, which includes specific events and an analysis of trends in each of the twenty-four fields of municipal activity.
2. *American Local Government Units*, listing form of government; number, term, and salary of councilmen; utilities owned; sources of municipal powers; federal-city relations during the year, etc.
3. *Municipal Personnel*, with number of city employees, salaries, turnover; retirement systems in cities over 10,000; public employee organizations in cities; professionalization of the municipal service; colleges offering training for public administration, etc.
4. *Municipal Finance*, showing trends in local government costs, municipal debt and finances of cities over 100,000 since 1926.
5. *Sources of Information*, revealing various official and unofficial data sources, as well as selected books, pamphlets, reports, model ordinances, periodicals, etc.

Besides presenting an accurate, impartial series of summaries and analyses, this book answers practically every conceivable question about the operation of American cities.

A. W.

NATIONAL MUNICIPAL REVIEW

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J. T. Salter

Hackensack Confounds a Legend

Miriam Roher

State Printing - Monopoly or Competition

Estal E. Sparlin

Local Forums and Local Government

Walter J. Millard

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The League's Business

Baltimore Chosen as League's Convention City.—The forty-fourth annual conference on government of the National Municipal League has been scheduled for December 1st, 2nd, and 3rd, at Baltimore. A local steering committee is now in process of formation, with the following prominent citizens of Baltimore as officers: *chairman*, William J. Casey, chairman of the Baltimore Commission on Governmental Efficiency and Economy; *vice-chairman*, Robert O. Bonnell, president of the Public Bank of Maryland; *treasurer*, Walter F. Perkins, vice-president of the Koppers Company; and *secretary*, D. Benton Biser, director and secretary of the Baltimore Commission on Governmental Efficiency and Economy. Announcement of the personnel of the local committee, and subjects to be discussed at the conference, will be made shortly.

* * *

New York State Committee of the League Submits Proposals.—The program adopted by the New York State Committee of the National Municipal League for submission to the state constitutional convention, as reported in our issue for May, has now been officially presented to that body. In filing the resolutions, Dr. Rodney L. Mott, chairman of the state committee, wrote to each of the delegates of the convention as follows:

"You will appreciate that these findings represent not alone the two days and nights of earnest study and discussion at Schenectady but also many months—indeed, years—of the most thoughtful search for methods of improving our democratic form of government. They are submitted to you in the hope that they may contribute toward the solution of some of the many difficult problems confronting the convention."

HOWARD P. JONES, *Secretary*

Letters to the Editor

To the Editor of the NATIONAL MUNICIPAL REVIEW:

For a good many years I have felt that the NATIONAL MUNICIPAL REVIEW is the most valuable publication in the local government field. On several occasions I have found articles and news notes of immediate interest and value to my work. For example, I want to express my appreciation of the article by Professor Alderfer which is contained in the April issue. Seldom have I seen so much information in one brief, comprehensive, and well balanced article. Certainly all students of government should be interested in the author's conclusions and observations regarding "Centralization in Pennsylvania."

H. C. BRADSHAW, *Economist in Farm Taxation*

Texas Agricultural Experiment Station, Agricultural and Mechanical College of Texas

* * *

To the Editor of the NATIONAL MUNICIPAL REVIEW:

The April number of your publication is at hand and you are to be highly commended for its interesting subject matter as well as the modern and easy-to-read appearance.

BARRY NORTON, *Chairman Editorial Board*

Illinois City Manager League

* * *

To the Editor of the NATIONAL MUNICIPAL REVIEW:

May I differ with the honorable mayor emeritus of Jamestown on one or two points in his letter to you in the June REVIEW?

Mr. Carlson states: "Most of our tax burdens are due to a multiplicity of governmental units (a total of 266,000 in U. S. A.)."

So often is reference made to the number of units of government in the nation that the figures may be worth publishing once again. The Bureau of the Census, in its decennial inquiry on financial statistics of state and local governments in 1932, had occasion to count the number of

(Continued on Page 364)

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Editorial
Comment



July, 1938

Hero-Making Time

ONE of the unpleasant "diseases" which seem to result from economic stress and unemployment is the widespread revival of the "city jobs for home-town boys only" idea.

It's all very logical, in a way. The politician reasons, first, that there are more votes among the "home-townners" than among the newcomers; second, that everyone who is out of a job will promptly translate the proposal into possible personal advantage; third (and this is what makes the idea particularly insulting and revolting to an intelligent community), he must reason that his constituents aren't very smart, anyway, and will fall for the outworn gag.

In New York City the old Tammany-dominated Board of Aldermen, with its dying gasp, sought to embarrass Mayor La Guardia by last-minute enactment of an ordinance providing three years of residence as a prerequisite for city employment. In Boston the city council tried to force the resignation of the superintendent of nurses and seven of her chief assistants at the city hospital because they were originally non-residents, chosen, strangely enough, solely because they were qualified for the jobs. Lufkin, Texas, slaps at the career ideal which is being built up through the council-manager form of government by announcing it will not consider out-of-state applicants in choosing a new city manager. In some other manager cities the idea is being advanced that the council should have

larger powers of appointment "to reward those who work for good government."

While great progress has been made in the extension of the merit principle in public service, most notably in the president's recent order placing a hundred thousand previously excepted federal positions on a competitive basis, there probably have been more attempts to circumvent civil service laws during the last five years in the filling of even the most minor positions than during any other similar period in the last quarter century. It is truly a time to try men's souls and civic virtue. These are conditions which make heroes.

Mayor La Guardia was heroic when he rejected the politically-inspired Lyons residence ordinance—but they passed it over his veto. The *Boston Herald* was heroic when it bitterly attacked its guilty council members and asserted: "The ideal of the trustees of the Boston City Hospital should be to make it the finest public hospital in the world. That means bringing to it the finest doctors and nurses no matter where they may live."

There may not be as many indications of it now as there were ten years ago, but the time inevitably must come when the people will insist on having the best qualified men and women working for them, no matter where they come from, just as most school boards today insist on choosing experienced administrators for superintendents of schools

no matter where they were born, educated, or previously employed. To believe otherwise would be to say we are ready to admit that democracy should

be chucked in favor of an authoritarian form of government or the old boss rule against which so many cities have revolted.

The People Can Be Trusted

EVERY once in a while an allegedly thoughtful person comes forth with the pronouncement that all this idea of "making democracy work" efficiently and honestly is "Alice in Wonderland" stuff, that bellowing mountebanks and false inflammatory issues alone have popular appeal, that the people are neither interested in nor capable of making wise decisions on fundamental principles, *et cetera ad absurdum*.

The country editors who oppose consolidation of counties (because they would lose the official printing?) might do well to inform themselves and their readers of the Gallup poll which showed overwhelming disapproval (88 per cent)¹ of the old patronage idea in public employment.

They might also take note of the decisive renomination recently in Alabama of State Senator James A. Simpson. The issue there was clear. Senator Simpson, author of the Jefferson County civil service law, stood foursquare for the merit system in civil service. The fact that he was the first senator in the history of Jefferson County to be returned to office (nomination there is tantamount to election) shows clearly that the issue was not only understood but wisely acted upon by the voters.

Of course, it is seldom easy to get issues fairly before the people. Practically every move toward the improvement of government involves the decrease of someone's powers and privileges, and usually that someone is not

unwilling to seize any weapon at hand to combat his opposition.

The situation in Illinois right now is a good case in point. Governor Horner included in his call for a special session of the state legislature the proposed enactment of legislation to enable all cities of that state to adopt the council-manager form of government. It immediately became very evident that the well entrenched political machines were going to do everything possible to prevent a fair understanding or even an unbiased statement of the issues involved.

The legislative committee conducting the hearings obviously was packed with manager plan opponents. When a labor leader from Cincinnati explained why organized labor of his city favored the manager plan, he was immediately branded a communist. The president of the Illinois Federation of Labor performed the intricate feat of maintaining that the council-manager plan was sponsored by reactionaries and communists and that it was fascism in its purest form. Pro-manager witnesses were constantly interrupted and heckled.

This episode illustrates a number of phenomena of the modern political scene, probably the chief among them the methods of machine politicians who have been driven to their last lines of defense, and one of the reasons why "downstaters" in Illinois distrust politicians from big cities like Chicago.

If the political powers that be will dare more often to give the people real issues to chew on, minus the usual beclouding hokum, they will find, frequently to their sorrow, that the people can be trusted.

¹See "Public Opinion in Our Cities," by George Gallup, NATIONAL MUNICIPAL REVIEW, February 1938.

A Politician: Old Style

By J. T. SALTER
University of Wisconsin

Author of "Boss Rule" sketches portrait of Honest Tom McIntyre—the Abe Lincoln of his organization—who carved a "career" out of politics.

LAWRENCE HYDE, in his critique of sociology, says: "Every situation with which the sociologist deals is the ultimate result of a series of small personal and domestic crises. The outer conditions which he investigates represent only the final expression of an infinite number of minor conflicts in the hearts of all sorts of individuals. What determines the circumstances, not only of a man and his family, but of a village, a city, and a nation, is an endless series of decisions, insignificant in themselves, but cumulatively of overpowering force. Such decisions are being made all the time by all kinds of people in all kinds of predicaments, and it is they that determine the final situation."²

Because I agree so thoroughly with this point of view, I propose to introduce a single politician who is powerful in a whole section of a great city. It is usually the "endless series of decisions, insignificant in themselves, but cumulatively of overpowering force" of such men and their lieutenants and followers that determine the outcome of great elections.

Of course, no one portrait can ever embody all of the outstanding characteristics of a politician, especially in times like these. But there is a certain norm that has been developed in

America in both the large cities and the rural counties, over a long period of years. Honest Tom McIntyre, the man whom I am about to present, is such a man. He is the leader of one of his city's fifty wards, and has been very largely preoccupied with politics in his ward and city for something over fifty years. He is an old-style politician of the sort about whom, when American civilization becomes more mature, legendary lore will arise as legends have already arisen about our Wild Bill Hickoks and Kit Carsons.

And if some critic objects to a sketch of an organization ward leader at this time, one need only observe that in many elections, and not only those in large cities and states, but in presidential contests as well, the victorious candidate is usually the one with the best organization on his side. Today, because of the depression, the relief legislation of the administration, and the magnetic Roosevelt, this is less true than it was ten years ago and before that; but even today, and in spite of many protests, Roosevelt has not given up his Jim Farley.

Honest Tom is the leader in a ward that is more populous than are some well known cities in the west, and there are under him more than eighty division or precinct leaders—the "sales agents" who live in the "sales territory" that they represent—the men who meet the voters face to face. He differs from a division leader in somewhat the same way that an army major differs from a lieutenant. He has had more political experience, and if not that, he has greater capacity for experience, than have those under him. He has the vision, the physical energy, and the financial backing to apply division politics to half a hundred divisions—to a ward. He has superior connections with

¹This is the first part of a biography to appear in the author's forthcoming book, *The American Politician*, to be published in October by the University of North Carolina Press.

²*The Learned Knife*, p. 74.

influential leaders in the city. He has resourcefulness that enables him to meet (save for the Great Depression) problems that arise in the life of his people. And finally, I venture to say that, in

spite of marked shortcomings in both Honest Tom and the organization of which he is a part, there is something of him in successful politicians all over the land.

Honest Tom McIntyre

There he stood, talking to four or five men in the corridor of city hall just outside the door of the sergeant-at-arms' office—Honest Tom McIntyre, the Abe Lincoln of the organization, the "millionaire contractor" who got right down in the ditch with his men and then on Thursdays came right up out of the ditch to go to council. When he was first elected, legend has it, two men had to hold him while a third introduced him to his first white shirt. Now as he stood there in the great hall he seemed too big for his clothes. His rugged form would not be entirely confined. He is the athletic type, his head is large, and he has curly, grizzled hair, so thick that it must be wetted to be held in place. His skin has a deep, ruddy color that might have come from the wind and the sea or the drinking of much rum. He is the most profane man I have ever met, but for some magic reason the profanity is not revolting on his lips. It goes with his seaman's color, and heightens the illusion I always have when I see him that here is the captain of a ship, home from a far port. Civilization has not put him in a groove, nor broken him. His face is luminous and infinitely expressive—it is the chiseled Irish sort. His eyes are drooping, and remind one of the eyes of England's poet laureate, John Masefield—except that Honest Tom's eyes are always twinkling.

There he stood telling some friends a story—in that short section of the corridor, the observed of all observers. Councilman Phinney Green of the eleventh ward was going by, and I asked

him to introduce me to McIntyre. I will not say that Honest Tom was in liquor, for I could not prove that he was, but he was highly exhilarated. When he heard that I wanted to write about him he smiled, put his hand on my shoulder and said, "Young man, I wouldn't want all of my record printed!" and laughed. A few minutes later he said: "I am Honest Tom, and if ever I am dishonest, I have never been caught. I can drink rum better than any man in the hall, and that goes whether it is good rum or bad—I can drink it." And with that he walked down the corridor a few steps and turned into the council chamber.

The session was about to begin. When McIntyre entered he spoke to nearly everyone standing along the wall, and everyone spoke to him. He had not gone twenty feet before he stopped and talked to two men. He was with them for several minutes; then he pulled away, and with a few more salutations sank into the cushions of his seat in time for roll call. He partly rose, answered, "Present," and said, "no bills, Mr. President."

His voice is low, and his answer never varies. Once I heard an old-timer refer to the councilman as Silent Tom. I was surprised. In the corridor or in his office he is the ribald talker—only he is so good-humored and he looks so clean and lusty that he never seems ribald—but he never addresses the chair in council. He told me that he gave up the practice when Butler was director of public safety. At that time he made an impassioned plea for the police

that was not supported by his colleagues. "I have not spoken in council since. What's the use?" When it comes to voting, however, he votes right, and the organization never worries.

Shortly after the roll call he grew restless; he ambled towards us and one of the men called out, "Hey, Tom, come over and have a seat." The councilman was pivoting about on one foot, with something of a smile on his face. To our invitation he laughed, and replied that he wouldn't associate with a damned bunch of crooks. A minute later, Honest Tom came up to me and said, "Young man, I will talk to you some time, and give you the real stuff."

A FRIEND TO EVERYONE

Since that time I have seen Councilman McIntyre many times, usually on Thursday afternoons in city hall, just outside the council chamber. His attitude is always the same. He is a man of high spirits, and a most pleasant fellow to meet. He can never walk from the elevator in the southeast corner of city hall to the councilmanic chambers without speaking to a dozen people, and sometimes he greets as many as fifty. One of his lieutenants told me this story: "One time Councilman McIntyre almost came face to face with Bill Vare as he was walking down a corridor in city hall. A crippled bum happened along at the same time. Honest Tom just waved his hand to Vare, saying, 'Hello, Bill,' and stopped and shook hands with the old bum." Sometimes he will stop and chat, and when he does a small group will immediately gather around him. It never matters what he is talking about—he is always interesting to hear. His great heartiness and charm enliven everyone and fill his spot in city hall with color and light. He is always greater than his words. His spirit stirs the heart.

He is not all things to all men, but one thing to all men.

One Thursday, just before city council convened at 2 P. M., I found him talking to Magistrate L in the corridor on the fourth floor. I went over to them, and when Tom saw me he smiled and put his arm over my shoulder and drew me closer to them. He was in prime condition and most jovial—in happy contrast to the swarms of worried looking people who were jamming the corridors on the fourth and fifth floors of city hall to protest against a threatened increase in the tax rate. "Here is a man," said Honest Tom to the magistrate, "that is going to write the story of my life. I'll give him more damn stuff than he can put in two books, judge!" The judge emphatically agreed that he could do it.

Not many days after that, I walked into a spacious office on the fourth floor of Philadelphia's "hall of a thousand sorrows" and found the city's most exuberant councilman sitting at his desk there. He gave me a hearty greeting, and pointed to a colleague on the lounge across the room. "There," he said, "there is the man you ought to talk to. Doesn't he look like a politician? If he had on a striped suit he would be the perfect picture of a gang politician." I looked at Councilman Turley. He had a bull neck, a big, baggy middle that covered his lap as he sat, a small head, and small eyes that were always partly closed. He merely blinked as McIntyre spoke, and looked straight ahead. And during our whole interview, there he sat, not like a wooden Indian, but rather like three sacks of grain.

"I was born in Philadelphia," Honest Tom began. "My father and mother were from Ireland, my father from the County Derry, my mother from County Down. They were never in politics. My father always said I was a dirty

bum for going into politics. I was eighteen years old when I started. Just about that time I got into the contracting business. When I started out in politics, we used to meet in a cellar. We would have a half barrel of beer, some limburger cheese and crackers and, damn it, we had an awfully good time! There were stables behind our house. Every night there were so many fellows sleeping in the stables that I counted on their votes.

"My first job was judge of elections. This was the only job I wanted, for if we could control the judge, we could control the election. From twenty-one years of age on I was elected as judge of election either in this ward or in the seventy-ninth. For fifteen years I was judge of election in the ninth division of the sixty-second ward. It was known as the 'bloody ninth'. You should see the *Bulletin* for 1895. They have an article about me and how I voted forty people from my stable. They called me a small contractor then, and said I voted forty men from my stables. The bastards were all there, too. They wouldn't vote unless I marked their ballots and I always marked them, for I wouldn't trust any one of them. The night that article appeared my mother said, 'You're sorry now, ain't you?' I had just brought home a load of gravel. I told her, 'Mother, there is a million people that know me today that never heard of me before.'

"Calkins, the ward leader of the fifty-sixth ward, refused to seat me on the ward committee, although I was elected every year from the time I was twenty-one years of age until I was elected to the city committee and the select council in 1907.

"Later I went over to the seventy-ninth ward and got elected as judge of elections over there. I wanted to help the boys out and show them just how politics were done. However, they

talked about putting me in prison for voting away from home so I resigned as judge. When I was elected to council from the fifty-sixth ward, the boys of the seventy-ninth said, 'You're a fine ——— to be elected to council!' But I won, and I won for my friends! I never took a drink of rum until I got elected to council. I've been elected to council ever since and have served under seven mayors. In the old days I was always elected to select council.

INDEPENDENTS PLAY THE GAME

"The Washington Party (an anti-organization group) was strong then. Some of the leaders in my section asked me if I wanted them to endorse me. I said, 'Yes.' Later I asked them what it would cost. They said they would let me decide after the primary. One night eight of these leaders sneaked over to my house the back way. They explained that they did not want to be seen in my presence. I said, 'All right.' I got out a quart of whisky and gave each of them a good drink. I won the nomination by a large vote. None of these fellows ever came back to get their pay. When I saw them I said, 'Why don't you fellows come and see me?' 'Tom,' they said, 'you got such a big majority that we thought you would forget all about your promise.' I said, 'No, I never go back on my word.' I asked them what their help was worth. They said, 'Fifty dollars apiece.' So I took out a roll of bills and put one hundred dollars before each of them. I then got out a bottle of rum and gave each of them a drink. They took not only one drink, but two, and after that no one could ever lick me.

"The organization gave Fox money to get elected to the city committee. Fox actually had four more committeemen than I had. The night of the election one of my committeemen was going in the room, and he was asked who he

was going to vote for. He knew then that I could not be elected. But Rainer, my committeeman, said, 'Old McIntyre is good enough for me.' That was in 1906. Fox beat me for the last time in that election. The next year I was elected, and I have been ever since."

I asked McIntyre how he inspired such high loyalty in his men. I had talked to seven of them, including the leader of the women's organization in the fifty-sixth ward, and they are all, lock, stock and barrel, for Honest Tom just as Rainer had been twenty-five years ago.

LOYALTY REWARDED

"I can answer that question in a minute. I never met a soul that was on the ward committee that I didn't use my best efforts to make him a friend; no matter if he had voted against me before, I still tried to get him to go along with me. It all depends on how you use the people as to how far or how well you will go. Ask the colored men in my ward. They will tell you that I am the only 'white man' that they know. Some people want to be too stingy, and will not give anything away, or they want all the credit for themselves. I know enough to believe that I wouldn't be worth a damn if it wasn't for the fellows that go with me. I made a study of that at the start. I realized then that there was room enough for a good leader if he gave credit to those that helped him. Play fair with your neighbors and they will never fail you. Some time ago Parker, my opponent, wanted ten of my committeemen to vote for him for the city committee, but they refused; so Mayor Moore fired all ten. However, I paid each of them one hundred dollars a month until I got another job for them. When Parker asked them to vote for him they all said, 'Go to hell!' It cost me between ten and fourteen thousand

dollars to take care of these ten men who had been fired for loyalty to me. One day I spoke to Ed Vare about it. Vare said that he would write me a check. I said, 'Damn it, Ed, I am paying these men, and I don't want a check, but I do want them to get a job!' Vare got them a job. You see, I was paying only one hundred dollars a month, and when they got a job they were getting at least eighteen hundred dollars a year.

"Both in my contracting work and in politics I stay close to my men. I work with them now. I throw the stuff in mixers. I work with them and keep them going. The sooner we finish a job the more money we make.

"I was born in the nineteenth ward. My father was in the milk business—he always kept about sixty head of cows. Till I grew up to be damn near a man I herded them around the vacant lots. But when the country got built in around us we moved with the cows to the fifty-sixth ward section. The cows would get the sidewalks dirty and the board of health got after us, and so we had to move. For the last sixty years I have lived in the fifty-sixth ward, and when my sister died, she left me the property, though I now live in Atlantic City."

As McIntyre talked his face was flushed and his eyes sparkled, and he seemed to relish the idea of talking about his life in politics. When I asked if his father had been in politics, he said, "Hell, no! My father said that I was a fool for going in. He voted for me the first time but never after that, because I learned to drink in city council. At one of my later elections he asked a friend how I was making out. The friend said, 'What do you care? You won't vote for him.' My father said, 'I know, but then you see, he is my son, and I would like to see him come through.'"

I suggested that politics was a strenuous game. He disagreed. He said, "Oh, no, not if you play it right. I go to Atlantic City at 6 o'clock, look the papers over, have supper and go to bed at nine. I go to sleep at once. In the morning I read the *Record* because I know if there is any scandal about the politicians the *Record* will publish it. At night time I get the *Bulletin*. In the morning at Atlantic City I get six or seven papers and give them to my friends." At this point, Dick Moore, his friendly lieutenant, spoke up and said, "Tell him about the lunches, Tom." Tom smiled and said, "Oh, yes, I take my friends to lunch."

I asked him if he read books. He said that he did, but, "I can't think of the name of the book." He added, "Oh, damn it, I bet my sister had five hundred. I just pick them up and read the one I come to. I like to read about shipwrecks and that sort of thing."

WHO WEARS THE TOGA

I told Honest Tom that I thought that I could understand why he was a leader, but, "Take Grimm, for instance; what has he got that makes for leadership?" The councilman paused and answered, "I wish I knew. A fellow like Grimm is a disappointment to a real leader. He was made overnight by Vare. Such an outrage!" One of McIntyre's standers-by expressed the opinion, "He is a counterfeit!" Honest Tom answered, "Yes, but his job is not a counterfeit!" The councilman's reply demonstrated his ability to strike at the jugular vein in an argument. Almost invariably the organization leader places the toga on an old-time committeeman, but in the case of Grimm he was placed in a ward specifically for the purpose of being made a leader. Vare wanted a man he could trust implicitly.

One morning when I saw Honest Tom in Dick Moore's office I thought of Albert Jay Nock's feeling about the characters in Dickens—"But how interesting! Why, one would walk miles unending to meet one of them and, having met him, would haunt him and delightedly follow him up and down the earth!" He gave me a lusty greeting; he was in top form. He asked me and Zeke Moran, the detail man of another ward leader, to come down to his office. There he passed around a box of Antony and Cleopatra cigars. We each took one. Just then two men came in, one a rather humble and ordinary looking man of about fifty, who went up to Tom and, with a most appreciative expression, started to thank him. His ward leader interrupted. "Did it cost you a 'hundred'?" The man answered, "No, he gave me three years probation!" He gave the man a friendly pat on the back, and the man went out. He doubtless had a new feeling of independence; he was beholden to no man, but forevermore Honest Tom was his friend. A more human acknowledgment of a service rendered could not be imagined. But the benefactor thought no more about the matter. "I told the judge to give him probation—that he had no money—that he would not handle, drink or sell any wet goods again," he said as he dismissed the matter.

In personal conversation or in talking to a small group, Honest Tom is as alive as a character in Rabelais, but on a platform, before two hundred or five hundred people, part of his magic is lost in thin air. The distance is too great. One night during the summer, I was one of a hundred and fifty on the lawn in front of the U. V. W. Ward Club. Several ward leaders made rather effective speeches. When Honest Tom stood in the spotlight he smiled, and everyone cheered. He told the people that he couldn't say much there. "But I got

a nice farm on the other side of the county line. After this primary I want all of my friends to come out there and have a drink of rum." The applause was immediate. Later in the campaign he spoke before six hundred in a neighboring ward. The night was sweltering hot, as Philadelphia nights in September are likely to be. Again McIntyre made the briefest of speeches. "I think we got awful nerve. We got an awful gall to keep you people here in this hot building. Anyone here for any time at all knows who I am and where I stand. I guess my two minutes are up." Again there was great applause, not because of the words that had been said, but because this man was the man they knew and loved.

DEPRESSION AND DEFEAT

Honest Tom's innate spirit is as blithe today as it was when his party was the only party in Philadelphia. But the *elan vital* has gone from his people, or they have become more restive under Republican leadership in general and the Councilman McIntyre brand in particular. The depression, the great destroyer of jobs, traditions, wealth, and personalities, had squarely settled on the voters and their families in the fifty-sixth ward, and they knew it. They did not know any solution for their ills or the ills of the economic system under which they lived, but thousands who had never voted Democratic before did so more often than not in the years since 1932. Honest Tom lost his ward in these years because his people were suffering, and he could not make it up to them.

As I bid him good-by on my last visit to his city, I thought how long ago it was since he had begun his strenuous life in dead earnest—before he was eighteen. For more than fifty years he has been on the winning side in politics; now it must seem hard to face a series

of defeats. One hundred victories in the past cannot add up to a sum as impressive as one defeat in the present. To-day in city hall the Republicans say that his ward has turned sour; Honest Tom says that his people have not jobs; he thought he saw the handwriting on the wall and was not a candidate for reelection to council. Had he been, he would have won his eighth term, for Philadelphia went Republican in 1935. The Great Depression has liquidated personalities as well as fortunes. However, Honest Tom's skin is thick; his heart is stout. He may be beaten to-day, but he will not give up. Only death can remove men of his breed from politics.

* * *

The foregoing fragment of a sketch was written several years ago, right at the beginning of Democratic victories in the city of the Union League Club and stalwart Republicanism. Since that time many of the details of politics have changed, but the pattern remains the same. Honest Tom drinks less, devotes more time to buying and selling tax delinquent properties, still manages his ward (although he has another person represent it on the Republican Central Campaign Committee), and instead of being in council, is one of the three members of the Civil Service Commission. The other two members are politicians too. And if you ask, "Isn't it odd to have a ward leader as the one who administers the merit system? Aren't the very spirit and content of his training, background, and interests hostile to the cardinal principles of the merit system?" And if, instead of glibly saying, "Yes," I remind you that usually two out of the three members of the United States Civil Service Commission are politicians—regulars in an art or trade that stems back in history before "Absalom stole the hearts of the men of Israel," you will see that Honest

Tom is not unique, nor is he an individual, but rather he is a symbol of a civilization. His tragedy and ours is that we naturally are loyal to people and organizations that we know and can see and love or fear. Abstract principles or artificial persons like municipal corporations weigh little with us. The city of Philadelphia may be invisible, it may not be articulate, it may not even be a still small voice in our deliberations. If I were to go to Honest Tom today and say, "Suppose I want to get on the public payroll but I cannot pass the examination, what could you do?" he would give me his most engaging smile and say, "Young man, you wouldn't want me to tell you just what I could do, would you?" And then, after a pause, "but I could do something, and I would—for I always help my friends."

POSTSCRIPT

A final justification for a sketch of Honest Tom is that he is the sort of politician that any one of us who may decide to take a hand in the governing of his own community may be forced to deal with. One may have to cooperate with him or fight him. In either case, it is important to know him. A physician would not be worthy of his medical degree if he refused to study a pathological condition that did not please his aesthetic sense. A voter, no matter how distinguished in his own right, cannot strengthen the democracy in which he lives by merely deploring the Honest Toms, without trying to comprehend them and their roots, and the needs they satisfy. Honest Tom has been and still continues to be, a ward leader in a powerful party organization; for more than twenty-five years

he was a councilman in a great city and now he is a civil service commissioner. Of those that think he is not the sort of person to determine the policies of the government of Philadelphia—and there are many such—I ask what the one who protests is doing about it. He may make some indignant remark in the bosom of his family, but is he doing anything to stir, agitate, or guide opinion for getting a better qualified person in the city of Philadelphia? Some other writer has well remarked that votes, like babies, require both time and labor to produce. Neither are dropped down chimneys by storks. Honest Tom and his friends give this time and labor to produce votes 365 days each year. They take infinite pains to capture the voters' attention. Citizens who contribute nothing in educating or in guiding the voters' attention are even less useful to democracy than Honest Tom.

A few weeks ago, while talking to Carl Sandburg about politics in a cabin on the edge of Lake Michigan, I asked if he had ever thought of becoming a candidate for Congress. He gave me the most honest answer that I have ever received to this question. He said, "I am a writing man and I do not know the political game. But if I had no more books to write nor any more songs to sing, and I wanted a life of routine misery, I would become a candidate." He paused, and then added, "but if things go on as they have been going on around here, I am going to begin to ask some questions. I am going to ask Lynn Edinger and Kenneth Holden (two of his neighbors) why we do not get some better men to represent us in our government."

Hackensack Confounds a Legend

New Jersey city no longer contends with inefficient administration. Its manager government, adopted in 1933, has restored credit and rendered new services on a cash basis at lower cost.

MIRIAM ROHER
National Municipal League

IN THE American scene, banks have always held a place of peculiar honor. Even the disillusioning corrosive of the depression did not quite succeed in wiping out the legend that in banks resided all the efficiencies and all the solid virtues most highly prized by good Americans. In banks one could find spotless marble floors and spotless marble minds, the right degree of conservative good sense combined with just enough foresight and civic conscience. All good little boys desired to grow up to be bank clerks, sit in a cage, and take in money, while their papas wished that they themselves had grown up to be bank presidents.

At the same time another legend became just as firmly fixed in the American folklore. The government of cities has always held a place of peculiar dishonor. In all city halls, so the impression went, could be found filthy offices full of idle fellows who spat regularly into convenient spittoons, held fat black cigars with the right hand, and raked in the public shekels with the left. Politicians were rated as less than thieves, and mothers whose sons thus deserted the straight and narrow were supposed to have failed in their sacred task of rearing the young.

But no culture is static. An illustration of the degree to which ours has changed may be found just across the

river from the former stronghold of Tammany Hall. Two years ago the city government of Hackensack, New Jersey, moved lock, stock, and barrel into a new city hall, a magnificent edifice with marble entrance hall and curving staircase. This building was not, however, the habitat of a mob of cigar-smoking political gentry. The site was not purchased from a ward-heeler at an astronomical figure. No well connected contractor realized pleasant profits in the course of constructing the place. If there were a councilmanic manufacturer of office equipment, he did not find his business suddenly endowed for life as the result of a large sale to the city. As a matter of fact, the Hackensack city hall, which cost its builders \$250,000, was bought by the city, after some bargaining, for the sum of \$89,000, furnished!

The seller was a bankrupt title company.

The removal was thoroughly symbolic of the quick and startling metamorphosis of Hackensack government which occurred from the moment that the city manager plan went into operation.

City Manager Wilder M. Rich took over a city on the verge of bankruptcy. Prior to July 1933, when the new form took effect, Hackensack bonds had been offered at 58 with no takers. Taxes were high, administration inefficient. The spittoon atmosphere, with most of the trimmings, prevailed. But ignorance, inefficiency, corruption, and the depression finally combined forces to send Hackensack not only into default but into a change of municipal scene. The "rascals" went out and Mr. Rich came in.

It was not long before municipal management had proved itself almost as wise, conservative, forward-looking, ef-

ficient, and sound as any bank management of the legendary halcyon days. Financially, as well as physically, the once defaulted city now enjoys a bank-like position. Not only is it now on a cash basis, but it has achieved this enviable position without hoisting the tax rate. In 1934 the city tax rate (excluding school and county) was 2.19 on a valuation of \$39,000,000. The total rate was 4.44. In 1937 the city tax rate had dropped to 2.16 although the total rate had jumped to 4.74 and the valuation had dropped off about a million dollars. For 1938 a further drop in property valuation of three million dollars forced an increase in the tax rate to 2.48, at the same time that the total tax rate reached 5.32.

FIRST STEPS TO SOUND FINANCING

One of the manager's first official acts was to devise a program for refunding the debt piled up by the previous administration with resultant flattening and redistribution of the debt service curve. Indeed, so sound did the city's financial position become that it was possible to buy the new city hall for cash and on the spot. This is the kind of quick action, essential to bargaining strategy, which was seldom if ever within the reach of the always financially embarrassed cities of the legend.

A municipality's chief reason for being, of course, is to give service to the community as a whole. But in the extent and nature of the services rendered a city does well to display the foresight and efficiency commonly attributed to private financial institutions. Hackensack appears to be realizing this double-barrelled objective. In spite of the heritage of the freebooting days which preceded the present regime—a heritage now concretized in the forced devotion of more than half the total annual budget to debt service—

Hackensack has been able to lead the way in supplying unique services to its 29,000 inhabitants.

As a matter of actual practice, Hackensack has more than 29,000 inhabitants. Located in the midst of the great suburban area outside metropolitan New York City, it serves as a center for more than 125,000 shoppers. This means not only better business for Hackensack but also heavier reliance on municipal services, which must in many respects be keyed as high as those of a city of 75,000.

ROAD COSTS DROP

In this motor-minded era, for instance, a suburban shopping center has an especial need of good roads. Toward the most expeditious achievement of this end, the manager has cannily set to work all the means at the disposal of a modern city. He purchased machinery which, set against the cost of renting the same machinery for successive road-building jobs, saved the city many times the purchase price. With this machinery at hand, moreover, Hackensack was able to drive a number of advantageous bargains with the good depression fairy of municipal government—the Federal Works Progress Administration. In Hackensack relief work not only maintained the needy but also served to supply the community most economically with durable public works. It will be noted that the latter objective has not always been realized in other cities less sure of what they wanted and how to get it.

In the building of roads, the state of New Jersey was also dragged in as the city's ally. The unconquerable manager twice approached state authorities with the proposal that the city would take a certain number of relief recipients off the state's hands (this was at a time when the state took a more prominent

part in relief activities), and set them to work on municipal road building projects, if the state would agree to hand over to the city the amount it would have spent on relief allowances for these individuals. Twice the state refused this sensible offer. The third time, however, it capitulated—making Hackensack the only New Jersey city to drive such a bargain.

Withal, the cost of road-building has gone down—an experience not entirely common in cities where WPA meant a joyous holiday of spending someone else's money. In 1933, prior to the arrival of the manager, macasphalt paving cost \$2.25 per square yard. In 1937 it cost \$1.77. In 1933 new stone on an old road and screening cost 78 cents per square yard; in 1937, only 54 cents. Paving with three inches of stone and two inches of asphalt penetration now costs from 71 to 81 cents a square yard and with three inches of penetration only \$1.00 a square yard—cheap enough, as any highway engineer will testify.

A second, and unique, achievement in the facilitation of transportation was the enlistment of WPA funds in the building of a municipal bus terminal, one of the only two in the country. Here again is evidenced shrewd recognition of the special needs of a special kind of city. Hackensack is now thirty-five minutes by bus from Times Square in New York City. An average of 700 busses daily use the terminal. Local factory owners, local business men dependent on the trade of satellite suburbs, local owners of real estate, could tell the reader why the bus terminal is important.

But the good fairy's wand waved not only over the roads but over that which borders all urban roads—the homes of men and women. WPA was asked to contribute—and did—to the protection

of those homes in the building of a central fire alarm station, located outside the fire danger zone, highly recommended to cities by the National Board of Fire Underwriters. Even a firehouse conflagration could not now prevent the reception of a fire alarm, for the fireproof central alarm station, set off alone, in a park, is practically indestructible.

A PENNY SAVED IS A PENNY EARNED

Municipal efficiency in the new bank-like era runs to amusingly anecdotal trivialities, as well as to impressive sums and large achievements. The visitor to the municipal greenhouse may note that many of the young plants do not grow in conventional flowerpots but in wooden cheese boxes, row upon row of them. If he inquires on this phenomenon, he will be told that the manager of the municipal incinerator saves them for the municipal nurseryman. A homely illustration of the interdepartmental coördination to be found in city manager cities!

The city manager himself is not exempt from the smaller enthusiasms. Manager Rich, small and quick, let his eyes rest fondly on three shining garbage trucks in the new red brick truck storage shed (more WPA).

"Two years old! Would you believe it? They're washed every night."

A fourth truck rolled in. Sure enough, the driver swung down from his seat and began the manicuring of his vehicle.

Civic zeal profits even from murder. Not long ago two motorists were murdered in Hackensack—two separate murders. The police department, as a good police department should, set out to track down the culprits. The administration, however, noted with interest that the deceased left neither heirs nor creditors. In a short time, therefore, the

city found itself possessed of two excellent automobiles. The first cost \$15, the price of clearing title. The second cost \$105, the amount which the former owner still owed on the purchase price.

It is to be hoped that the present drivers of these vehicles are not superstitious!

Sudden conversion is always suspect. When naughty little Edgar becomes all at once a quiet little gentleman at the dinner table, Mother is justified in wondering whether silence betides an after-dinner assault on the small change in her pocketbook. Similarly, when a

"bad" city reforms, pessimistic citizens shake their heads and wait for the inevitable second-term battle between tired reform and rejuvenated machine. Is Hackensack different? Is the bank here to stay, the spittoon gone forever?

It would appear that Hackensack is different in the same way that most manager cities are different. Good government, it seems, is here to stay in Hackensack, because it depends not only on that delicate flower, righteous citizen indignation, but also on the habit of good government, and the right mechanism for getting it.

Letters to the Editor

(Continued from Page 350)

units of government. In summary, the bureau reported that, besides the national government, there were 182,651 political units having power to levy taxes or incur debt, as follows:

48	States
1	District, Columbia
3,062	Counties
16,442	Cities, towns, villages and boroughs
128,548	School districts
19,978	Townships (including town governments having similar functions, such as in New York, Wisconsin, and the New England states)
14,572	Other civil divisions (drainage, road, park, sanitary, irrigation, reclamation, fire, lighting, cemetery, navigation, port, waterworks, etc.)

The census volume reports this classification for each state.

It is perhaps beside the point to argue Mr. Carlson's statement that "tax burdens are due to the multiplicity of such units." I should be inclined to state that even were the ultimate in consolidation achieved, the resultant reduction in taxation would not greatly affect the existing tax burden. From studies made while I was in Detroit of the possible economies of consolidations of local units, it is my opinion that the reduction in taxes would be surprisingly small.

In seeking ways and means of tax reduction, we must look rather to an examination of the purposes for which taxes are expended, the necessity for the vast range of governmental activities, and the effectiveness in administration. The roads to economy in local government are many and well marked. This, however, is not to derogate reasonable proposals for consolidation, with the resultant savings.

C. E. RIGHTOR

Chief Statistician, Statistics of States and Cities, Bureau of the Census

State Printing—

Monopoly or Competition

JEFFERSON CITY, June 19.—The Midland Printing Company of Jefferson City was the sole bidder yesterday for the state printing and binding contracts.

THUS was the awarding of a \$500,000 contract by a state government recorded in a secluded spot on the back page of the daily newspaper. "Monopoly run rampant," business men call it; "politics," the reformer cries; "inefficiency," the administrator designates it; "Oh, how long?" the taxpayer moans.

The same year, the state of Massachusetts utilized 151 different plants for its printing. It was nothing unusual for the Bay State to have fifteen or twenty firms bidding on individual items of printing advertised by the Commission on Administration and Finance.

Politics, graft, and all those things play their part in the state printing situation, but a few administrative devices employed by the Massachusetts printing agency could help a great deal in Missouri and seventeen other states where a "class system" of letting printing contracts prevails.¹

There is a significant difference between the individual job system used by Massachusetts and eleven other states² and the class system. Under the latter, bids are taken on large amounts of printing and contracts awarded for a period of time; specific publications are not mentioned in the

By

ESTAL E. SPARLIN
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Great financial savings reported by states in which "individual job" system of letting printing contracts has been introduced.

contracts. Under the individual job system, specifications are written on each printing job so there can be no doubt by either the state or the printers as to what is desired by the former and what the latter expects to deliver.

In Kentucky, a class-system state, the statutes divide the printing of the state into four classes, as follows: (1) all matter ordered by the General Assembly, including the laws and journals; the printing and binding of all reports and miscellaneous printing necessary for departments; (2) all blank books used by the counties; (3) lithographic printing; (4) paper for state printing.

It can readily be seen that practically all the state printing is included in one class, the first one. The statutes further require the contract to be for a four-year period. Suppose you were asked to furnish a bid on class 1, above? Printers in the state—except the *one* who has held the contract during the preceding four years—are about as competent to furnish such a bid as the ordinary layman.

A printing measurement known as the square "em" makes possible the class system contracts. The use of the square "em" system corresponds roughly to the use of the square inch. The basic principles are the same, the difference being

¹Other class-system states: Alabama, Colorado, Illinois, Indiana, Kentucky, Louisiana, Maine, Minnesota, Mississippi, Montana, North Carolina, North Dakota, Ohio, Pennsylvania, Tennessee, Texas, and West Virginia.

²Other individual-job states: Georgia, Maryland, Nebraska, New Hampshire, New Jersey, Oklahoma, Rhode Island, South Dakota, Utah, Vermont, and Virginia.

technical. Thus, in the class system of contracting, the printing firm specifies that it will set and print all the type which the state requires during the next two or four years at so much per square. The printer gambles that most of the state printing requirements will be easy to compose. The printer also gambles on the quantity of type which the state will need, for the contract does not say how much. But gambling has absolutely no place in scientific governmental purchasing!

MONOPOLY CONTRACTS

There are many other defects in the class system of contracting for printing. The great variety of printing included within any one class is striking indeed. For instance, the Louisiana Class B includes all reports of state officers, pamphlets ordered by the legislature, and the session laws. Some of these reports contain only a few sheets; others contain hundreds of pages. The auditor's report and the insurance report may contain page after page of intricate tables, difficult to set, while other pages of the same report may be blank or contain little material. One page may cost the printer ten dollars to compose and print, while the opposite page may cost him only fifty cents. One paragraph may be set in small six-point type, while the following paragraph is set in fourteen-point. In Kentucky, the bulk of the state printing is in one class. This means that the legislative printing, the departmental reports, and the utility printing are crammed into one bid sheet and let for four years in one contract. The contract does not specifically name or describe the publications.

If the state pays the printer for type by the square, as it does under the class system, he is encouraged to "stretch the type out" so that it occupies more squares. He may use extended

type and wide spaces between words. It costs him more to set difficult tables, yet he is paid at the same rate as for easier material. Hence, he will be encouraged to put pressure on the governmental departments, attempting to eliminate difficult tables from some publications.

In several states the grouping together of such great quantities of printing has eliminated from bidding all the printing plants in the state except one. For example a Jefferson City plant has monopolized the state printing in Missouri under the class system for upwards of fifty years.

Until a few years ago, one firm in Albany supplied all the New York State printing because the state secured its printing in two or three classes. No other firm in that part of New York was large enough to bid on the huge classes, for there were always some jobs in each class which could not be printed outside Albany. If any small job in a large class had to be done in Albany, then the whole class had to be done there. Since 1930, approximately one-third of the New York printing has been divided into about sixteen classes, making the classes small enough that printing firms in Buffalo, Syracuse, and New York City enter the competition. The state saved approximately \$100,000 in one year as a result of this division of classes. The other two-thirds of the state printing still goes to one firm in Albany.

The superintendent of printing of Iowa vividly portrays the disadvantages of the class system as follows:

Leaks from excessive prices arise in many states, and also in cities and counties, under blanket contracts and blanket schedules of prices that are made to cover too wide a range and variety of items to work out otherwise than to the advantage of the contractor. . . . The state

or city or county gets stung when, as the lingo goes, you "throw 'er all in and let 'er ride." That is the line of least resistance so far as administration goes, and it is the way whereby the state of Iowa formerly paid, in outstanding instances, as much as \$2,000 for an item now bought for \$200 with an additional cost of administration negligible in amount as applied in due proportion to the one item.^a

The report of the Iowa Printing Board cites savings to the extent of thousands of dollars merely in the change from the class system to a semi-individual-job system.

The individual-job system involves the procurement of printing on the basis of the individual job or single piece of work. In this system the printing copy for a specifically designated publication or job is analyzed as it comes from the using agency; definite specifications about which there can be no doubt on the part of either the state or the printers are compiled, proposal sheets are written, printers notified, bids taken, and contracts awarded.

COMPETITION BRINGS GREAT SAVINGS

The individual-job system overcomes most of the defects of the class system. Under it certain types of printing can be grouped together. The individual-job system does not necessitate that each bill of the legislature be contracted for separately. All these bills can be let in one contract. However, the contract may be let for one session of the legislature only. The specifications should clearly state exactly what the state expects of the contractor and, in turn, what the contractor can expect from the state.

Other publications of the state should be carefully analyzed from the content and typographical standpoint. The state printing agency should exercise great precaution to see that all the elements are clearly described in the specifications and bid sheets. Jobs should be small enough so that a maximum number of firms will be encouraged to enter the competition. Only through the use of the individual-job system is it possible to take advantage of these important principles.

When the Massachusetts Commission of Administration and Finance was established it was given extensive powers over the printing of the state. The commission immediately changed from a class system to an individual-job system. The printing costs of the state dropped 50 per cent in the succeeding years. Of this amount, at least half of the saving is attributed by the commission to the change from a class system to the individual-job system.

For many years the states have been gradually abandoning the class system of printing contracts. In California, Nevada, Kansas, Oregon, and Washington, this abandonment of the class system resulted in the establishment of state printing plants. All of the twelve states having the individual job system at the present time used the class system some time in the history of their printing procurement. Massachusetts changed from the class to the individual-job system in 1920, South Dakota in 1925, and Rhode Island in 1935. So far as is known, no state has ever changed from the individual-job system to the class system.

This trend is far too slow. Many state purchasing budgets suffer from inadequate printing contracts.

^aReport, Iowa Printing Division, 1924, p. 34.

Local Forums and

Local Government

THE motive power of a democracy derives from the opinions of its citizens. The clearer these are, the more they rest on fact and digested experience, the more they have been compared with the opinions of others, the better for the democracy whether it be a great nation or a village. Opinions so fashioned are held with a deep enthusiasm which dictators cannot create though they use most rigorous regimentation.

Studies of the processes used consciously or unconsciously in opinion-making have come from the pens of many political scientists of note. All pay high tribute to that process we have come to call a public forum. Because the term is ancient it is applied indiscriminately to all sorts of gatherings. The crowds that assemble in Union Square and Columbus Circle in New York, on the pier at Santa Monica, and in "Bug-House Square" in Chicago may, by a stretch of the imagination, be called forums. Because, after the reading of a paper before a section of the American Association for the Advancement of Science, there is a discussion period, this gathering can also be called a forum. A broad definition might be, "a group that carries on discussion of questions of more or less public interest." After such a group has disbanded, the participants, both those who speak and those who do not, have been changed. If this change is for the better, we call the effect *education*.

For a long time professional educators concerned with civic education in its broadest sense have realized that if the forum process were put under the direction of trained, disinterested leadership greater social good would ensue. The value forums have achieved under

By WALTER J. MILLARD

Field secretary of National Municipal League considers the public forum an excellent means of reporting the work of local administrators and of helping citizens form opinions concerning future municipal policies.

such leadership is evident from the work of such organizations as the Open Forum National Council, the Chicago Forum Council, and the Town Hall of New York. But all such forums, supported as they are by donations and subscriptions, have been able to affect only a fraction of the people.

Meanwhile, men within the public school systems have come more and more to the belief that their complete job covered more than the education of youth. So far as the adult was concerned, however, the school systems contented themselves with night classes where vocational and cultural subjects were taught. Laudable as was all such work, there were educators who believed that the civic education of the adult, the process of guiding active, intelligent citizenship, lay within the province of the public school systems.

One such public school man was Dr. John W. Studebaker, and as superintendent of schools of Des Moines he began to institute a program of public forums. A grant from the Carnegie Foundation enabled this to be done in a thoroughgoing manner. The problems of local government are topics which forum audiences want discussed and among those invited to lead forums on such subjects in Des Moines were Howard P. Jones, secretary of the Na-

tional Municipal League, Dr. Henry Hodges, director of the Cincinnati Municipal Reference Bureau, and the writer of this article. Forums gathered somewhere in the city each evening, two were held at noontime, and one comprised the employees of an insurance company and met at the close of a work day. High school students also arranged forums and entered into the discussion like veterans.

In a sense, the field work of the National Municipal League has always been based upon the forum method. Not only has anyone present at group meetings been encouraged to ask questions and add comment, but suggestions for reaching the high objective of good local government have been sought from both citizens and public officials. But most groups that the writer has an opportunity to meet are made up of those who have considerable background concerning the matters discussed, whereas it is necessary that the masses of the people be reached if the principles agreed to by all thinkers in the field are given wider application. During campaigns for new city charters and the like we have an approach to the desired situation but all too often emotion also enters the picture at such times and the judgment of many is obscured.

In the Des Moines forums one actually came to meet the ordinary citizens; to explain to them and discuss with them the principles of good local administration in the atmosphere of a schoolroom was a heartening experience. One day when in a barber chair the writer was surprised to have the barber say: "I think the forums you are conducting, sir, are among the most useful of any I've attended." The man was a home owner, with a boy in high school. Before we parted we went over again the points of the discussion he had last heard. Every attempt is made to get "participation," but this man said he

had never spoken at any of the meetings though he went regularly. From his conversation, however, it was evident he had participated in a real sense.

FEDERAL GRANT FOR FORUMS

Before the Des Moines experiment was concluded, Dr. Studebaker had become United States commissioner of education. He found his own interest in forums was matched by public schoolmen over the country. A grant of funds from the national treasury was obtained and in the season of 1936-37 a far-flung experiment was conducted. In nineteen centers, carefully selected to provide the greatest possible difference of background, a total of 10,481 forums were held. For about twenty weeks, five nights a week, some topic concerning local government was explained for about half an hour, followed by discussion, with questions asked and answered for about three-quarters of an hour to an hour. The audiences ranged in size from three hundred to thirty and the educational background from shrewd but practically illiterate mountaineers to deans of universities with strings of degrees. In the day there were student groups ranging from boys in CCC camps to post-graduate seminars in gothic halls.

Some of the remarks made by participants are memorable. After showing a group some of the newer types of municipal reports, a downeast Yankee said, "Oh, I see, if we had more graphs, we'd have less graft." A tobacco farmer in North Carolina said, "I don't like the form of the question, 'Where should the axe in taxes fall?' It implies taxes are a bad thing. They are not. I need the service I get from my taxes and I would not do without them." An Italian-born fruit dealer in Stamford, Connecticut, said, "The town officers propose to pay a consulting engineer several thousand dollars to supervise the erection of an incinerator. I think they should pay

him a few more thousand and give him a permanent job to boss all the work done in the town. There's no one that heads everything now."

This year another forum experiment has been conducted, but on a somewhat smaller scale. The writer has served in six centers. The school boards and principals within a certain area have made coöperative use of the leader's time. These centers have been Anderson, Indiana; southern Illinois; Kalamazoo, Michigan; Warren County and Somerset County, New Jersey; and the area surrounding Columbia, South Carolina.

To talk about good local government in Kalamazoo might seem like carrying coals to Newcastle, but it was interesting to discover that the problem of the relation of the city to its suburbs outside its limits is one which bristles with difficulties. A legislative commission of South Carolina recently issued a report severely criticizing the officials of Columbia for lax law enforcement and the forum participants naturally brought up in discussion the question of how to remedy the matter. Such a practical situation calls for all the tact and impartiality a forum leader can display and yet at the same time to be helpful he must be specific.

No attempt is made to convert anyone to anything. The leader, instead of giving his own opinion, prefers to get those present to write or otherwise get in touch with cities, authorities, and organizations which can give concrete suggestions and experience. Above all, these forums are definitely told that they are not action groups. No resolutions are passed, and no votes are taken. If as a result of forum discussions citizens organize to make what they think are appropriate changes in their local government, they must do it at another place and time and in such a way that the forum is not involved.

Nevertheless, action does occur which is of benefit. In a small Illinois town the mayor came to the forum with a chart which attempted to show the sources of municipal income and the main types of expenditure. The mayor's purpose was good but the chart was crude. Several high school seniors were present. The upshot was that in school time they reconstructed the chart with bar and pie diagrams, and copies were placed where they came to public notice.

LOCAL OFFICIALS PARTICIPATE

The technique of conducting these forums is not a fixed one. It is a frequent practice of the writer to invite a local officer to give an explanation of his job and problems and then set against that the practice and experience elsewhere. Between one forum meeting and the next many people will have a question occur to them concerning what has been discussed; hence it is wise to begin the second forum by first dealing with such questions.

The questions and discussions are revealing. Many citizens do not realize the limitations placed upon local officials, and that such limitations are not only contained in state law but are often state constitutional limitations. Citizens have only a relatively small amount of information concerning the accomplishments of their local officials. It would seem that the usual invitation to attend the budget hearing fails of its purpose; the legal red tape which surrounds council meetings makes them such dry-as-dust affairs as to be uninviting. Publicity better suited to the situation is needed. Forums are a fine means by which civic ignorance can be dispelled and they offer a splendid place for officials to give an account of their stewardship.

But this last opens up an important question concerning elected officers who

probably will offer themselves for re-election: to what degree will they make appearances at forums an opportunity to increase their chance of re-election? If this cannot be entirely prevented, shall prospective candidates not in office be invited also? If the forum is held in a settlement house, this problem can be met, but if forums are held in public schools there are those who may hold that we will transgress the rule of no political meetings in the public schools if candidates for office speak.

In parts of Canada there is no such rule. The principal of a school acts as chairman and all candidates have an equal time to speak and answer questions. The school authorities pay for having the school open, the older pupils attend with their parents, and the proceedings are discussed in the civics classes. In the United States the process of persuading citizens to vote for certain candidates is not so far advanced as to be termed an "educative process" and consequently forums held in our public schools do not follow the lead of our Canadian cousins.

Certainly local government, apart from personalities, is not only suitable for forum discussion but is the sort of subject that should be discussed. Hence if anyone is interested in better government in his own locality, and a forum program is not in successful operation there, he would do well to interest the local schoolboard in setting up such a program. A report on these forums which the Office of Education has recently issued will convince anyone of their value. A consulting service is maintained by the office covering all phases—administrative, financial, pro-

gram planning, and publicity. Interested persons should read *Plain Talk* by Dr. Studebaker,¹ which should be in every public library. In it he says:

I want to see public forums operated as a regular adult education program in the public school system. The discussion method is a technique of education. It should be used by the agencies for public education in a definite process of education. Nothing can add more to the value of public civic education than to extend it to include the majority of adults in a community. Thus the public school system will not only serve the community with facilities for lifelong education which is needed for good citizenship, but it will bring the responsible citizens into close relation with their institutions of learning. This participation of adults in the program of the public schools will improve the exercise of citizenship in the public control of education, the selection of school boards and policy-making bodies.

The readers of this REVIEW are necessarily those who are interested in adult civic education, particularly as it relates to local government. They have interested themselves in all methods which foster such education. The venture Dr. Studebaker has initiated opens up tremendous possibilities for good. Schoolmen in many instances want to be assured that there is a demand for a forum program before they bring definite proposals before their boards. Why not tell your local school superintendent he can count on your support of such a program!

¹*Plain Talk*, John W. Studebaker, National Home Library Foundation, Washington, D. C., 1936.

And wouldn't it be a good idea to send all candidates for public office to one of the forums now being conducted in the state as a sort of object lesson in how issues not personalities may be discussed? *The Columbia Record* (editorial), June 1, 1938.

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

Merit System Extended in Federal Service.—By executive orders made public June 24th, President Roosevelt extended competitive civil service requirements, as of February 1, 1939, to more than 100,000 positions hitherto excepted therefrom, and modernized the ancient civil service rules, according to the United States Civil Service Commission. The orders will place in effect many long-standing recommendations of that commission, the National Civil Service Reform League, and the personnel report of the President's Committee on Administrative Management, of which Louis Brownlow is chairman.

On and after February 1st all positions in the executive branch shall be in the competitive classified service, other than policy-determining boards, those expressly excepted by statute, those requiring Senate confirmation, and such other positions as special circumstances require to be exempted; and future vacancies therein shall be filled pursuant to the civil service law and rules, unless hereafter specifically excepted by executive order.

Present incumbents of all positions affected by the orders will not acquire civil service status unless they can pass such tests of their fitness as the Civil Service Commission shall prescribe. Among those affected by these orders are some 71,000 employees in old and New Deal agencies paid from emergency funds.

All of the highly paid positions heretofore excepted from competition by schedules A and B of the civil service rules must be reviewed within ninety days by the departments and

agencies in which they are located and reasons presented to the President with the recommendation of the Civil Service Commission as to whether they should or should not be excepted from competition in the future.

The heads of executive departments and independent agencies are required to establish as of February 1, 1939, in each department and agency, personnel divisions for professional supervision and management of their employees. Such divisions will be headed by a director of personnel. Each such director will act as a liaison officer in all personnel matters between the executives, the employees, and the commission, and supervise appointment, assignment, service rating, and training of employees in such departments and agencies, and establish means for the hearing and settlement of grievances of employees.

The orders create a council of personnel administration consisting of the directors of personnel of the several departments and agencies, a representative of the Bureau of the Budget and of the United States Civil Service Commission, and such additional members as the President may designate. The President will name the chairman. The council will act as a watchdog of the merit system, and have advisory and investigative powers looking toward the coordination and perfection of the executive personnel service in all its branches.

The Civil Service Commission is directed to establish practical training courses for employees and to provide credits in promotion examinations for satisfactory completion of established training courses.

For the proper enforcement of the law and rules the commission is directed to recommend the discipline or dismissal of any person holding a position in violation of law

whether by appointment, promotion, assignment, transfer, or reinstatement, and of any employee taking part in political management or political campaigns, and provides that in case of continued violation the proper disbursing and auditing officers shall stop the pay of the person who is acting in violation of law.

Preferences to veterans are allowed under the new orders, as heretofore.

Opportunities for promotion within the service by competition are increased. Separate registers of employees eligible for promotion as a result of competition will be established and certified. Departments will be given priority of right to promote their own employees who establish eligibility. Transfer is subordinate to promotion wherever promotion is practicable.

The orders also provide for the first time for full medical and character investigation of all applicants prior to certification wherever practicable. They provide for joint examinations and use of lists with other approved federal, state, or local agencies where desirable. No question in any form of application or any examination shall be so framed as to elicit information concerning the political or religious opinions of any applicant.

*

Governmental Apprentice Training in Three States.—To provide recruits for government careers, colleges and universities are joining local or state officials in California, Indiana, and Wisconsin in plans for pre-service apprentice training, according to the Civil Service Assembly.

In California a group of city and county public administrators, in cooperation with the School of Government of the University of Southern California, plans to put students who have finished two or four years of college to work on salaried apprentice jobs in their home communities. Studying while they work, the students terminate their appointments when they have completed their educational programs. If they wish to continue in the public service, they must secure appointment in competition with other candidates. Another example of pre-service training in California is the recruitment plan of the Los Angeles County Civil Service Commission and Bureau of Budget and Research. The Civil Service Commission picks eight men each year

from graduates of the four large California universities as apprentices for one year's service.

Wisconsin, after six months' trial of a state government career plan, has just announced its expansion to include eight recruits annually from two colleges—the University of Wisconsin and Marquette University. Loans are granted to selected senior students, and to repay the loans the students work as apprentices in state commissions and bureaus. They remain in state service for two years, and to continue state careers they must qualify in regular civil service examinations. Students who decide to go outside government service are released from obligation by immediate repayment of their loans with interest. If there is no position for the student who wants a state career, the University of Wisconsin provides research work temporarily, waiving interest on his loan until he is placed.

In Indiana, for the first time this year, two apprentice examiners from graduating classes of the state's colleges and universities were appointed by the Indiana State Bureau of Personnel for a year's service. They will work for \$120 to \$145 a month. Only male applicants who have been residents of the state for at least one year are eligible.

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Public Employees Receive In-Service Training in Many States.—Employees of any rank in the public service, including administrators, as well as tool and technical workers, now can participate in municipal and state programs for training on the job. The only qualification is that instruction must be "less than college grade." These extensions of the public service training program are made in a recent ruling by the Department of the Interior. That part of the \$14,000,000 vocational education appropriation set aside this year for public service training is issued to the states on a match-fund basis.

Among states where programs supervised by leagues of municipalities and vocational education boards are already under way are Alabama, Arkansas, Connecticut, Michigan, New Jersey, New York, North Carolina, Oregon, Utah, Virginia, and West Virginia.

The scope of these programs is indicated by experience in New York State, where 62,003 public employees received instruction during

the first four months of this year. A wide variety of occupations were included.

*

Traffic Safety Training.—The National Institute for Traffic Safety Training will meet at the University of Michigan, Ann Arbor, August 8th to 20th. Eight technical courses will be given for advanced traffic students during the mornings, and general meetings on traffic safety problems will be held in the afternoons. The chairman of the administrative committee is Dr. Alexander V. Ruthven, president of the University of Michigan, and the executive secretary is Sidney J. Williams, National Safety Council, 20 N. Wacker Drive, Chicago.

The Northwestern University Traffic Safety Institute, Evanston, Illinois, announces that eight police fellowships of \$1,200 each have been made available through a grant of \$10,000 from the Kemper Foundation for Traffic Police Training. They will enable officers to study traffic accident prevention during the 1938-39 academic year.

*

Student Researchers Named in New York City.—On June 19th William B. Herlands, New York City commissioner of investigation, announced the appointment of thirty-five honor students of City College as "internes in public service," to carry on research investigations into various municipal problems. Appointment of additional students from other city-maintained colleges is expected to follow.

*

Fellowships in Municipal Recreation Awarded.—The board of directors of the National Recreation Association, after its annual meeting on June 1st in New York, announced the award of four apprentice fellowships in municipal recreation to four college students—three from the United States and one from Canada.

*

Council-Manager Plan Developments.—The borough of Bendix, New Jersey, formerly Teterboro, on June 21st adopted the manager form of government by unanimous vote—twenty-four voters, out of a total of twenty-seven registrants, going to the polls. A new council, which will select a city manager for the borough, is to be elected on July 19th.

On June 28th North Dakota voters de-

feated a constitutional amendment making the manager plan optional for counties of less than eight thousand.

Forsyth, Georgia, will vote on the manager plan on July 14th. Berkley, Michigan, will vote on the plan September 13th.

The council of Yonkers, New York, has approved a petition calling for a vote on a new city manager-proportional representation charter. The matter will be submitted at the regular election in November. This is the third such charter which has been submitted to Yonkers voters within the past few years.

The city of Seaside, Oregon, which has a permanent population of 1,565 (1930 census) but a summer population running over 3,000, has been watching the progress of Astoria, Oregon, under the city manager plan. Mayor E. T. Stafford and the city council of Seaside are reported to look with favor on the plan, and the mayor is expecting to appoint a committee to draft a new charter. Proportional representation will be considered along with the manager idea.

The city of East Lansing, Michigan, on June 15th elected a commission for the purpose of drafting a new charter. The council-manager plan is expected to be utilized.

The Chamber of Commerce and Civics of the Oranges and Maplewood (New Jersey) has announced a tentative eight-point improvement program, as the result of some five hundred suggestions made by residents at twenty-two "community clinics" recently held in these five municipalities. Prominent in the program is a study of city and county manager government.

Monterey Park, California, on April 12th rejected a proposed council-manager charter, 1,074 to 630.

As noted in the proportional representation department in June (pages 341-2) the governor of Massachusetts on June 1st signed a bill which permits any city except Boston to adopt the council-manager plan with a council of seven or nine elected by P. R. Citizens of Cambridge and Springfield are advocating the adoption of the plan.

A committee of the legislature of Illinois, in special session in June, held several hearings on the proposed city manager enabling act with no action resulting thus far. As was the case at the last session, the opposition to the bill was distinguished by noise, unruli-

ness, and prejudice. The Chicago City Manager Committee, the Chicago City Club, The League of Women Voters, and other organizations appeared in active support of the measure. (See also p. 386 of this issue.)

Alexandria, Virginia, a council-manager city, on June 14th by a vote of 1,503 to 1,081 adopted a charter amendment making the city attorney and the city collector subject to election, instead of to appointment by the council. Although this is against the spirit of the council-manager plan, there was no movement to abolish the appointive city manager. The *Alexandria Gazette* of June 15th pointed out that only about 41 per cent of the qualified voters participated in the election, at which six council members were also chosen. The 1,503 voting for the amendment were only 24 per cent of the electorate. The newspaper suggested a three- to five-year contract for the manager (after a probationary period of six to twelve months), with dismissal only for misfeasance or malfeasance in office, subject to court appeal.

*

Boulevards and Back Yards Beautified in Memphis.—With offices and an auditorium in the Memphis Museum building, and an extension division with a chairman in every ward, the City Beautiful Commission of Memphis, Tennessee, marks eight years of progress since its inception by Mayor Watkins Overton. Civic groups and newspapers have coöperated with the unpaid commission of twenty, appointed by the mayor with the approval of the city commission. It functions as a bureau of the Department of Administration and Health, the city providing offices, a secretary, overhead expenses, and the part-time service of a landscape architect. The million-dollar Riverside Drive, with bordering parkways, particularly represents the mayor's effort in the beautification movement while innumerable accomplishments of individuals active in or inspired by the campaign have helped to transform back yards and vacant lots into gardens and playgrounds, improve the appearance of dwellings, and plant crepe myrtle, the city's official shrub, by thousands throughout the city.

*

Local Housing Authorities.—The recent creation of a local housing authority in Burlington, Vermont, brought to twenty-seven

the number of states which have local housing agencies set up to participate in the \$800,000,000 nation-wide slum clearance and low-rent housing program of the United States Housing Authority.

The legislatures of thirty-three states have passed low-rent housing legislation enabling their cities to establish local housing authorities, but in six of these states no local housing agencies had been established, up to June. They are Oregon, North Dakota, Colorado, Arkansas, Virginia, and Rhode Island. In the case of Virginia, the enabling act did not become operative until June 21st.

Nathan Straus, administrator of the USHA, said last month, "When the United States Housing Authority was created seven months ago, under the United States housing act of 1937, there were only forty-six local housing authorities throughout the country. At the present time 147 local housing authorities have been set up in twenty-seven states. All of these communities are now qualified to participate in the USHA program to clear their slums and construct decent low-rental homes for small income families."

Cities in the fifteen states not yet equipped by law to participate in the federal housing program await the passage of state enabling legislation in current special sessions or the regular biennial sessions scheduled for early in 1939, according to the National Association of Housing Officials, so that they may join in the increased program, the bond quota for the United States Housing Authority having been increased to \$800,000,000 in the congressional relief bill. Such legislation is required to empower the cities to set up local housing authorities authorized to build, manage, and operate projects. Each city is expected to secure 10 per cent of the capital cost from non-federal sources and contribute a minimum of 20 per cent of the annual subsidy of any housing projects, the federal government supplying the rest.

The fifteen states still lacking the necessary enabling laws are: Arizona, Idaho, Iowa, Kansas, Maine, Minnesota, Missouri, Nevada, New Hampshire, New Mexico, Oklahoma, South Dakota, Utah, Washington, and Wyoming.

United States Housing Authority contracts for loans to local authorities passed the \$100,000,000 mark on June 1st. These loans

and supplementary subsidy contracts brought the local housing authorities with approved contracts to seventeen. Recent earmarkings of funds raise the total of allocations to date to \$357,784,000 for ninety-five authorities in twenty-three states and Hawaii.

States with enabling legislation which so far have no municipal projects under the USHA program (although all but four of them have former PWA projects and other low-cost housing) are: Arkansas, California, Colorado, Connecticut, Delaware, Illinois, Indiana, Massachusetts, Mississippi, Montana, Nebraska, New Jersey, North Carolina, North Dakota, Oregon, Rhode Island, Tennessee, Virginia, Vermont, West Virginia, and Wisconsin.

Three of these states—Illinois, Massachusetts, and Montana—have found their laws unsatisfactory for USHA loan provisions, but Illinois and Massachusetts in current sessions are considering the necessary changes. In California, where cities were delayed by absence of legislation, Los Angeles City, Los Angeles County, San Francisco City and County, and Oakland have set up municipal housing authorities since the first of the year.

*

New York State Housing Amendments—
a Correction.—The item entitled "Municipal Financing for Low-Rent Housing," on page 268 of our May issue, contained the statement that the voters of New York State would pass on certain amendments next fall. Miss Mildred B. Csontos of the New York State Library calls attention to the fact that these amendments must again be submitted to the legislature, in 1939, before submission to the voters—unless they are included in the proposals of the constitutional convention now in session.

*

New Hampshire Constitutional Convention Completes Work.—The twelfth constitutional convention in the state of New Hampshire—the last was over twenty years ago—recently came to a close. Proposals to be acted upon by the voters next November include: (1) absentee voting for all officials and on all questions submitted at the biennial elections; (2) striking out the word "male," which has remained in the voting qualifications since woman suffrage was approved, and authorizing legislative redefini-

tion of the term "pauper" in the same article of enfranchisement; (3) prohibition of the use of gasoline taxes and road tolls for other than highway purposes; (4) adoption of a sales tax, graduated income and inheritance taxes, and taxes on growing wood and timber, stock-in-trade, and machinery.

Various plans to reduce the size of the House of Representatives, which now has about 424 members, were defeated, as was an amendment advocated by Governor Francis P. Murphy which would have allowed the state to extend grants or credit to aid private enterprise.

In New Hampshire a two-thirds vote is required for approval of constitutional changes.

Changing constitutions by conventions has been a slow procedure, according to the Council of State Governments. Of 185 conventions recorded, 128 have had their recommendations adopted; twenty-seven have been partly successful, and thirty have failed entirely. All states except New Hampshire have provisions permitting the legislature to propose constitutional amendments (in some states only at definite intervals), and fourteen states permit proposals by initiative petition.

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Citizens Union of New York City Makes Further Constitutional Recommendations.

—The nine recommendations of the Citizens Union of the City of New York to the constitutional convention now in session, summarized in this department last month, dealing with certain aspects of the legislative and executive departments, have been followed by fifty-three others dealing with the judiciary, local government, public finance, etc. They include the following, in brief summary:

Judiciary.—Appointment instead of election of judges; nonpartisan ballot for any not made appointive; easier removal of judges, supplementing present impeachment method by right of Court of Appeals to remove on charges, after public hearing; a chief administrative judicial officer appointed by the Court of Appeals; staggered fourteen-year terms for Court of Appeals, ten years for other judges; fewer constitutional courts; no outside business for judges.

Bill of rights.—Trial by jury in all criminal

cases involving more than one year's imprisonment; better safeguards around waiver of jury trial in other criminal cases; contempt of court in labor injunction cases and criminal contempt, punishable only after jury trial before another judge; no suspension of habeas corpus even in war or rebellion; immediate arraignment on criminal charges.

Local government and finance.—Prohibition of special "emergency" city acts by legislature; right of legislature to confer additional powers on cities; right of cities to modify special city acts by local laws; prohibition of special mandatory expenditures by cities except by uniform laws and provision of funds; removal of constitutional status of local officers other than legislative; strengthening of county home rule in New York City; requirement of serial bonds for local finance except temporary borrowing; financing of municipal capital improvements by taxes permitted outside the tax limit; lower tax rates permitted on improvements; taxation of land value increments permitted outside tax limit; no lower tax limits; no new tax exemptions without two-thirds vote of legislature, unless applicable to all improvements; exclusion from debt limit of self-supporting enterprises, and of revenue bonds.

State finance.—Payment of income tax by public officials; more than one bond issue permitted at one election; no earmarking of taxes; continue prohibition of state aid to sectarian education.

Amendments.—Initiation of amendments to constitution by petition as well as by legislature.

Elections.—Permanent registration permitted; personal registration required; removal of requirement that vacancy in elective office must be filled at next general election; third parties represented on election boards if polling 5 per cent of total vote for governor; civil service for election officials.

Civil service.—Continuance of merit system requirement; elimination of veterans' preference; removal of immunity from testifying in case of public officials.

Conservation.—Protection of natural beauty, sightliness, and historic associations.

Powers of the state.—Excess condemnation less restricted; Torrens law strengthened by

full credit behind public guarantees of title; legislative power to enact motor-vehicle injury compensation plan; "any public purpose, including, but not limited to, the clearance, replanning, and reconstruction of areas in which unsanitary or substandard housing conditions exist, the eradication of slums, provision of housing facilities for persons of low income, the welfare of laborers, employees, women, minors, and others requiring special protection, the conservation, preservation, restoration, and utilization of the state's resources and values in soil, timber, minerals, water power, wild life, natural and public beauty, and historic associations, and the relief of private distress in public emergencies."

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President Emphasizes Responsibility of States and Cities for Direct Relief.—In a letter to Mayor F. H. La Guardia of New York, president of the United States Conference of Mayors, President Roosevelt on June 7th reiterated that the states and municipalities must continue to provide for direct relief, while the federal government provides a work program for the able-bodied unemployed. The letter was in response to an inquiry by Mayor La Guardia, as president of the conference, at the request of a number of the larger cities outside of New York State. Copies of the letter were sent by the conference to all cities.

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Students Stage Model Conference on Interstate Coöperation.—Three hundred students from thirty-six Pennsylvania colleges met in Harrisburg in April at the fifth annual Pennsylvania Intercollegiate Conference on Government. The three days were devoted primarily to a model conference on interstate coöperation, each college group representing a particular state. As described in the June issue of *State Government*, they debated, caucused, maneuvered, bargained, and compromised in the endeavor to obtain endorsement of specific proposals; the results were crystallized in seventy-eight resolutions calling for coöperation among the states in the solution of problems in nearly all fields of state government.¹

¹See also "Collegians Steal Legislators' Fire," NATIONAL MUNICIPAL REVIEW, July, 1936.

North Dakota Defeats Proposed Civil Service Act.—An initiated measure to create a department of civil service for the state of North Dakota was defeated at the election held on June 28th. According to a statement issued by the North Dakota Taxpayers Association, this measure was sponsored by North Dakota state employees, but “does not present a real civil service law, retains all present employees in their present positions, and provides no merit system for them.” The Taxpayers Association advocated the defeat of the measure.

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Civil Service Annual Meeting.—The Civil Service Assembly of the United States and Canada will hold its thirtieth annual meeting at the Wardman Park Hotel, Washington, October 17th to 21st.

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Public Health Workers Look to the Future.—“Public Health in the World of Tomorrow” will be the central theme of the sixty-seventh annual meeting of the American Public Health Association, to be held in Kansas City, Missouri, October 25th to 28th. Recognizing that the responsibilities of the health official have expanded by sheer force of necessity into fields of diagnosis and treatment, considered in the very recent past as beyond the circle of health department obligations, the convention program will attempt to forecast what is ahead for the career man or woman in the public health profession. An attendance of three thousand from this country and others is hoped for.

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International Housing and Town Planning Congress.—Mexico City and the Mexican government will be hosts to the congress of the International Federation for Housing and Town Planning, August 13th to 20th, followed by a six- or seven-day study tour of some of the most important developments in Mexico. It is also proposed to hold local meetings thereafter in the United States. The congress subjects will be: (1) planning of underground utilities and other facilities; (2) housing in tropical and sub-tropical countries; and (3) planning recreation and the use of leisure time. Addresses and reports are also expected to be given on town planning education and city administration.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Functional Consolidation in Champaign-Urbana, Illinois.—The university community of Champaign-Urbana is witnessing the inauguration of an interesting experiment in functional consolidation. In April 1937 the people of the town of the city of Champaign and Cunningham Township, the adjacent townships embracing the cities of Champaign and Urbana, respectively, voted to unite in the establishment of a joint health district under the terms of a general permissive statute of 1917. The governing body of the new district, officially designated as the Champaign-Urbana Public Health District, is a district board of health consisting of the township supervisors of the two coöperating townships and the president of the county board of supervisors (Champaign County). This three-member board imposes the tax levy for the district; appoints the district health officer, who serves as the executive officer of the board, from a list of eligibles prepared by the State Department of Public Health on the basis of open competitive examinations; and, with the approval of the health officer, appoints such other personnel as may be necessary for carrying on the work of the district.

After some delay due to uncertainty as to jurisdiction and powers, the government of the new district was actually organized and began to function on January 1, 1938. With the assumption of responsibilities by the district authorities, the city governments of Champaign and Urbana, as well as the authorities of the local school districts, virtually withdrew from active work in the health field, so that the new district is now the principal local unit concerned with health administration. The enactment of health ordinances, however, is still in the hands of the respective city councils. The activities of the district are being financed in part by the district tax levy and in part from funds provided by the United States Public Health Service under the terms of the social security act.

Dr. G. H. Gowen, who has been selected as the district's first health officer, was formerly connected with the State Department of Public Health and has had wide experience in public health work. At present the district staff includes, in addition to the health officer, four nurses, one sanitary inspector, and two office assistants. The activities of the district to date have been confined for the most part to the control of communicable disease through investigation and quarantine, the examination of school children, and the inspection of milk, water supplies, and food products. A beginning has also been made in the direction of health education, particularly with respect to venereal disease control. Other activities will be undertaken as funds permit. As this note is written, the district authorities, together with their legal counsel, are engaged in drafting, for presentation to the city councils of Champaign and Urbana, a modern ordinance regulating the production and distribution of milk within the local milkshed. If the ordinance is enacted by the respective city councils, the health district will be charged with the enforcement of its provisions.

The establishment of the new health district constitutes an encouraging, if somewhat belated, recognition of the fact that health protection in the "twin cities" is a function of government which can be carried on most adequately only by a single unified agency with jurisdiction throughout the community.

It may be noted that the health district constitutes the second instance of functional consolidation in this community, the Champaign-Urbana Sanitary District having provided sewage disposal facilities for the inhabitants of the two cities since its establishment in 1921.

CLYDE F. SNIDER

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Charter Revision in Los Angeles.—Taking advantage of a constitutional amendment which simplifies the procedure for revising county and city charters, the Los Angeles county board of supervisors and the Los Angeles city council will submit charter revision proposals to the voters within the next few months. Formerly revision of the charters as well as the drafting of a new charter

had to be performed by a board of freeholders. In 1936 the people approved a constitutional amendment permitting the legislative body to submit either a new charter or proposals for revision without calling an election for a board of freeholders. It was thought that this would facilitate making badly needed changes in some charters without creating all the disturbance attendant upon a freeholders' election.

It has been held generally that both the city and the county charters in Los Angeles were reasonably good, but that certain changes were necessary to bring them up to date. Accordingly, the city council instructed the city attorney and the director of the bureau of budget and efficiency to draft suggestions for alterations in the city charter. The county board appointed an administrative committee composed of the county counsel, county auditor, and director of the department of budget and research to do a similar task for the county charter. The latter charter has not undergone any serious change since its adoption in 1913 as the first county charter in the United States.

In twenty-five years the growth of administrative functions has produced many new problems of organization and managerial control. The county of Los Angeles has outgrown the original functions of a county and is performing a large variety of municipal services in unincorporated territory. Several thoughtful attempts have been made to produce some reorganization of the county government structure to simplify the lines of control and to provide a semblance of overall management. The Committee on Governmental Simplification, appointed by the board of supervisors in 1935, proposed a means for coordinating various administrative agencies, and strongly recommended the adoption of a county manager plan. The board of supervisors, however, refused to put these recommendations on the ballot for popular scrutiny in 1936. The county manager proposal has now been revived by the chairman of the supervisors, and may become an active issue again in the new attempts to change the charter.

At present Los Angeles County suffers from the usual defect of county government—lack of unified administrative control. The board

of supervisors directs the general affairs. Nevertheless, this difficulty has been overcome to some degree by the development of the department of budget and research as a budgetary agency to assist the supervisors in administrative management. A weakness in the department's position at present is that it has been created by ordinance and has no charter status. Probably one of the charter amendments to be proposed this fall will attempt to fix the authority and responsibility of the department on a more secure basis.

Civil service is another matter that requires some alteration and clarification in the county charter. A citizens committee appointed by the supervisors, with William Bennett Munro as chairman, has been studying the problem and will make recommendation to the board in time for the fall election.

The problem of the city charter presents a task more of simplification. The two officials appointed by the city council have interpreted their authority solely to suggest revision of the present charter so as to (1) clarify parts in terms of recent court decisions; (2) remove ambiguities in wording that have been discovered in operation. An increasing amount of sentiment has been expressed among citizen groups for a more thoroughgoing change. Town Hall is one of these—a study and discussion group numbering over three hundred members, headed by President Russell M. Story of Claremont Colleges. This group is patterned after the Commonwealth Club of San Francisco. Its section on municipal and county government has appointed subcommittees to bring in suggestions for charter changes in the city and the county.

Los Angeles remains the one large city employing boards and commissions at the head of all major administrative departments. There are eighteen commissions in the present set-up of the city government. Much complaint has been raised that certain of these commissions interfere unduly with administration of the departments, or provide a means for "buck-passing" when citizens complain. Suggestion has been made that certain of the commissions be abolished and the remainder be made purely advisory or supervisory in function.

Another suggestion that is being studied is a plan to adapt newer ideas of organization for overall management to the mayor-council

plan now in operation. This was suggested by a citizen's committee in 1934. The nucleus of this plan lies in the present bureau of budget and efficiency, a management agency fixed in the charter to assist the mayor. The proposals envision the regrouping of such agencies as city attorney's office, purchasing agent, treasurer, etc., into a management division for the purpose of guiding administration under the mayor. Most of the administrative departments of Los Angeles have a good reputation for internal management, but there is a real need for coordination and management of the organization as a whole. Official agencies appear to be reticent about suggesting such fundamental changes, but it is hoped that citizen groups can be mobilized to produce some action on these plans which have been discussed for some years, and which appear to be producing some crystallization of opinion.

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Los Angeles County for Manager.—

There is activity in Los Angeles County again to secure the adoption of the manager form of government. There has been organized the Lawyers' County Manager Committee to help draft an amendment to the Los Angeles County charter which, when adopted by the people, will provide for a central executive or county manager. On May 27th a civic affairs luncheon was held at which prominent lawyers of the county conducted a symposium on the manager plan.

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Chesterfield County, Virginia, and the Manager Plan.—

As reported in this department for June, Chesterfield County, Virginia, has again voted against the adoption of the manager plan. On May 12th two questions were presented to the voters: one, whether the county would change its form of government; the other, if a change is desired, which plan of government is preferred—the county executive or the county manager. Since a substantial majority voted against any change, the votes on the choice as between the two forms of government were not tabulated.

Some observers see in the recent vote an approval of the executive secretary provided for Chesterfield by the last session of the General Assembly. Nothing now remains but for the board of supervisors to pass a reso-

lution appointing an executive secretary who will purchase supplies, and in other ways serve the board as a "glorified clerk." As Supervisor Diggs remarks, however, they have decided "not to rush into the appointment but to let nature take its course."

The balloting was not without humor. On the question of change of government, the ballot read For—Against—Strike One A literal-minded voter struck out "one."

Chesterfield has now lost the opportunity of adopting the manager plan for some time to come. As stated in this column for May, the General Assembly (1938) provided that an election on changing the form of county government may be held only once in three years.

JAMES E. PATE

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County Manager Amendment Defeated in North Dakota.—The voters of North Dakota, on June 28th, defeated a constitutional amendment which, if ratified, would have cleared the way for the adoption of the county manager form of government in counties having a population of eight thousand or less. The defeated amendment included the following provisions: the question may be submitted upon petition of 25 per cent of the electors and if approved by a majority of those voting the board must appoint a county manager. It becomes his duty to perform either personally, or by agents which he appoints, the duties now required by law to be performed by the register of deeds, county auditor, county treasurer, sheriff, county judge, clerk of district court, superintendent of schools, and assessors. He may hire an attorney to perform the duties of state's attorney. He may remove the persons whom he appoints. The manager himself is to be accountable to the board and subject to removal with or without cause by the board. If a change is desired in the form of county government the question of changing back to the former system may not be submitted within six years.

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Small Counties in Colorado Oppose Consolidation.—Among the twenty-three proposed amendments to the state constitution to be voted on by the people of Colorado this fall is one permitting county consolida-

tion. The author of the amendment reports that he has been deluged with letters in respect to the proposition. Some complain because he did not make the proposed number of counties smaller but more are protests. One declares that there is no small county in the state that wants or has asked for consolidation and goes on to say, "We are going to organize to fight this thing to a finish."

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Police Power Extended in North Carolina County.—In 1937 Guilford County, North Carolina, secured the passage by the state legislature of an act requiring a license from the Board of County Commissioners to operate outside of the corporate limits of the incorporated cities and towns of Guilford County, any tourist camp, dance hall, road house, place of entertainment, hotel, inn, or lodging or rooming house open to travelers or the general public. Under this authority the board promulgated the rules by which an establishment of this sort might operate and after a year's experience the county officials report that the licensing has had a very salutary effect. It has aided law enforcing officers in the performance of their duties and has been the means of substantial progress in eliminating undesirable conditions. This experiment is of interest not only because it recognizes a problem which menaces the peace and safety of the rural areas but because it represents an extension of the police power of the county board.

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Iowa Enacts Land Law.—A public-bidder law was recently adopted by the state of Iowa and it is said to be proving effective in clearing up titles and tax delinquencies on vacant land and restoring such property to use. When taxes are delinquent for a specified period, the county may bid in the land and may then sell it at public auction to a private buyer and give a clear title.

Herbert A. Nelson, executive vice-president of the National Association of Real Estate Boards, points out that this act provides a direct and simple plan for cutting away the tangle of debt and delinquent special assessments and taxes, thereby keeping much vacant land out of use. A public-bidder law, in his opinion, might be a useful aid toward needed replanning in the case of some areas.

TAXATION AND FINANCE

Edited by Wade S. Smith

Jersey Local Government Finance Laws Enacted.—With the enactment into law of the so-called Princeton survey bills late in May,¹ the New Jersey legislature added another impressive item to the record of a state already noteworthy for its sound local finance legislation. Under the four new laws enacted on the recommendation of the Princeton Survey Commission, the state sets up coördinated machinery for preventing in the future the types of fiscal chaos which have characterized many local units not only in New Jersey but throughout the country in the past.

Constituting chapters 127, 128, 158, and 159 of the pamphlet laws of 1938, the new legislation establishes a state department of local government, which succeeds to the present supervisory functions of the state auditor and will in addition exercise wide powers of control over local budgets, accounts, and fiscal practices. The department is to be headed by a commissioner of local government, to which post the present state auditor, Walter R. Darby, has already been appointed. A state board of local government is also established, with power to hear appeals from the commissioner's rulings as well as exercise supervisory powers of its own. The present Municipal Finance and Funding Commissions, established to cope with emergency problems resulting from the last depression, are continued intact, with the commissioner of local government succeeding to the state auditor's powers as regards these activities.

A detailed analysis of the new legislation will appear in next month's REVIEW, in a full length article by Dr. John F. Sly, Secretary of the Princeton Local Government Survey.

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Constitutional Tax Limit Urged for New York State.—Among the many proposals before the New York State Constitutional Convention now in session in Albany are several looking toward the imposition of tax rate limits upon the local units of the state. Urged by various of the organized real estate groups, they range from rigid overall rate limits which

would include debt service to limits to be imposed on operating funds only.

Heretofore tax rate limitation proposals in New York have gotten no farther than one or the other of the houses of the state legislature. They have been headed off, partly by the opposition of the municipalities and interested civic, research, and investment groups, and partly by the greater emphasis placed on more constructive methods of controlling local finance as recommended by the New York State Commission for the Revision of the Tax Laws and in the fiscal provisions of such statutes as the optional city manager law and the Desmond and Buckley optional forms of county government acts. Should the constitutional convention bring forth any recommended amendments containing tax rate limit sections, such proposals will be referred to the general electorate of the state for the first time since the recent nation-wide campaign for their adoption began. All of which brings up again, in the nation's largest state, the pros and cons of real estate tax rate limitation.

One of the most concise statements summarizing the position of tax rate limit proponents which has come to the attention of this writer is the following, which is contained in a press release of the National Association of Real Estate Boards, dated May 21, 1938: "When you put a millage ceiling or tax limitation on property you have taken a very decisive step to spread the tax base and relieve by 23 per cent to 25 per cent this cost of local government which the farmers and home owners of land, together with owners of other types of real property, are now paying, beyond their rightful obligation."

This statement is typical of the arguments and phraseology of the campaign being waged by the organized real estate dealers and operators. It contains the two basic contentions of the proponents: first, that the tax rate limit is a necessary first move to "spread the tax base;" and second, that the tax charge to real property is in excess of its "rightful obligation." It also exhibits another characteristic of the propaganda of the tax rate limitation-ists: it promises a very definite reduction in real estate taxes (note the narrow limit of two points between minimum and maximum reduction), and it is completely silent on the subject of what replacement taxes will be

¹As reported in the June issue of this REVIEW, p. 333.

necessary after the tax base has been "spread." Therefore, consideration of this short and innocent looking sentence will throw considerable light on tax rate limits as a whole.

Obviously, "rightful obligation" cannot be determined with exactitude, especially in regard to a subject as inherently complicated as is taxation, but it is exceedingly doubtful if the real property tax, as found generally in local governments in this country, imposes on real estate a burden far out of line with real estate's "rightful obligation." This is pre-eminently true of the costs of providing protection—fire and police—without which property ownership would be hazardous or impossible. It is true to only a less extent of the so-called improvement facilities—streets, sewers, water supply, street lighting. Even of such services as schools, libraries and museums, parks, and playgrounds, there is every evidence that real estate is directly benefited—witness the consistency with which real estate promoters advertise proximity to these facilities as a substantial lure to prospects and the consistency with which they hold them to be an important factor in establishing residential property values. In other words, practically every service resulting in a local government cost is of direct or substantial indirect benefit to the owners of real property and those to whom they rent the use of it.

Even when judged by ability to pay, the real property tax holds up pretty well under fire. Studies of tax delinquency on a country-wide basis disclose a surprisingly large number of localities where the property tax suffered only a relatively slight decline in productivity during the depression years, while information is readily developed showing that when excessive tax delinquency appears to indicate a breakdown of the property tax base other and more important causes are usually to be found at the bottom of the matter. Among these other causes the overdevelopment of vacant urban real estate and inflation of urban and rural property values is conspicuous, and especially so because this all too frequent cause of taxpayer-hardship springs directly from the activities and manipulations of the speculating gentry among the real estate brotherhood itself.

In fact, when the effect of property value inflation, premature subdivision, and the special assessment financing of overambitious

improvements provided through the medium of public credit at the insistence of real estate owners and operators is considered, it is pretty difficult to see how the organized real estate groups can claim to come into court with clean hands in seeking to get out from under the costs which have been occasioned by their own desire for profit. But they have been and are doing it, and in the name of the so-called "small property and home owner."

Which brings us to the second point of the NAREB release quotation. This is that tax rate limits are necessary to "spread the tax base." If it is desired to "spread the tax base," tax rate limits will certainly do it, and abruptly and with dispatch, even though the process is roughly comparable to teaching the young boy self-reliance by turning him out of the home at the tenderest possible age. The intended beneficiary is usually more harmed than helped. Following the simile, the local government will undergo a period of readjustment and curtailment of services, just as the young boy will slowly starve until he learns his way around. Then, just as the sociologists tell us that the youngster will turn to his wits and a probable career of juvenile delinquency, the history of tax rate limitation indicates that the local government will turn without scruple to each and every possible revenue source. The property owners—who were intended to be relieved of a burden by the rate limit—will face new imposts on every conceivable activity, ranging from fees for the service of having their sewage disposed of to licenses for the privilege of doing business in the old home town. And in all probability the state government can be persuaded to come to their rescue with the one unfailing replacement tax—the retail sales tax in one guise or another. When this expensive tariff has at last become a reality, and the little home owner begins to reckon up the pennies and nickels which he is now paying as a costly substitute for the annual or quarterly property tax bill, the cycle will be complete, and the small property owner will realize he has been sold a gold brick, like the cast-out youth who looks back with bitterness at his unfeeling parent. Only the man who owns more property than he and his family can occupy will benefit, since he will pay the additional taxes of only one person or family, but will reap the property tax saving on

dozens or perhaps hundreds of rented properties and vacant lots.

And what will the "savings" amount to anyway? The quotation promises that it will amount to "between 23 per cent and 25 per cent." No more, no less, and a handsome saving it is. Obviously, it might be considerably more, and it might be a great deal less. But equally obviously, it will amount to a whole lot less if additional taxes are levied on some other base to preserve the level of governmental services and if the property owner has to pay the replacement taxes. So this glib assurance of the tax rate proponents is just as misleading as the insinuation that by "spreading the tax base" the small home owner is somehow going to be lightened of his tax burden.

Of course, if tax rate limit proponents were to be quite candid, they would say something like this: "When you put a ceiling or tax rate limit on the ad valorem property tax, you take the first step in upsetting a long established equilibrium among the various tax bases to which federal, state, and local governments have become adjusted. You will not be content to have your local government curtail its services to the extent which the rate limit you impose will make necessary, provided it actually limits, so you will consent to substitute a direct and easily accounted for tax for almost numberless indirect taxes, licenses, fees, and alleged benefit service charges. If you are a large property owner or a speculator in vacant lands, the shift in the tax base will benefit you proportionately to your holding and the amount of the property tax reduction. If you are a home owner or a renter you will be called upon to make up in retail sales taxes and miscellaneous levies not only the revenue losses occasioned by your reduced property tax bill but also the losses arising from the reduced property taxes of all those who profited by the property tax reduction. If you are fortunate in living in a community where government is exceedingly efficient and other conditions combine properly, you may actually be neither better nor worse off under the tax rate limit than you were before. But if you are wise, you will refuse to gamble on the uncertain and will insist your tax burden be lightened through the more orthodox, and far more successful,

method of positive fiscal and administrative reforms."

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MFOA to Meet in St. Paul.—Retirement systems and personnel problems will vie with tax collection and accounting procedure as topics for discussion when the Municipal Finance Officers' Association meets for its 1938 conference in St. Paul, August 15th to 18th, inclusive. The conference will hold two general sessions and fifteen round-table meetings, with virtually all current fiscal problems of the local governments touched by subjects on the agenda.

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RFC Makes Handsome Profit.—Financing of the new Metropolitan Water District of Southern California was completed early this year with the sale of the last block of bonds to the Reconstruction Finance Corporation, which had taken all the \$208,500,000 save for \$1,500,000 sold to the PWA. The district is constructing the Colorado River aqueduct, to bring water from the mountains two hundred miles away to Los Angeles and twelve other member cities in Los Angeles and Orange Counties, California. Designed to be self-supporting, the project is outstanding both as an engineering job and as an example of soundly conceived and executed use of the public credit.

District bonds as issued (they were actually in the form of interim certificates, since it was planned to readjust the interest rate when they were re-offered) carried a 5 per cent interest rate, 1 per cent of which was remitted by the RFC under an informal agreement with the district. Recently the district and the RFC ended negotiations for the interest to be readjusted, at 4 per cent on half the bonds and at 4¼ per cent on the other half. On June 22nd the RFC sold the first \$60,000,000 to a syndicate of over 140 investment houses—as 4's at a price of 107, or a premium to the RFC of some \$4,200,000. The bonds thus go on the market at an unusually high price for this type of obligation—actual re-offerings were from a 2.65 per cent basis for the near term maturities to 3.65 per cent for the longest terms. Since the RFC is supposedly an agency existing for the financial convenience of those bodies to which it extends financing accommodation, rather than a profit-making agency, it is a

little difficult to see why, if the bonds are to be sold at an interest basis ranging from below 3 per cent to 3.65 per cent, this advantage should not have been passed on to the taxpayers of the water district in the form of a lower interest coupon, rather than go to the RFC in the form of a \$4,200,000 profit.

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Taxpayer Takes it on Chin.—The Commerce Clearing House makes the following interesting report on a recent decision of the Supreme Court of South Carolina: "When a taxpayer uses a check in paying taxes he constitutes the treasurer his agent in the handling of said check. The law does not regard the taxes as paid until the checks are paid, and the fact that taxes are usually paid by check does not give such procedure the sanction of law. Here, although the checks were given to the treasurer in due time he failed to deposit them until the penalties had accrued. The defendant, as surety for the treasurer, is liable for the amount of the penalties the latter failed to collect inasmuch as the treasurer's bond is conditioned upon the faithful performance of his duties and not upon the turning over of all the money placed in his hand." *State ex rel. Cherokee County et al. v. Brown et al.*

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

The National Elections in Ireland.—The myth that proportional representation and a strong government are mutually exclusive was further demolished by the Irish national elections of June 17th. Expressing unmistakable approval of the treaty with England recently concluded by Prime Minister Eamon de Valera, the people of Eire gave his Fianna Fail party a clear majority of sixteen over all others in the new Dail Eireann. The final results, announced on June 21st, were Fianna Fail seventy-seven, the United Ireland Party (Fine Gael) headed by former Prime Minister William T. Cosgrave forty-five, Labor nine, and independents seven. The election was conducted, like all its predecessors since the founding of the Irish Free State in 1922, by the Hare system of proportional representation, which gives the voters the greatest freedom to

vote effectively for minority candidates if they wish to do so. The system is essentially the same as that used for city council elections in New York, Cincinnati, and other American cities.

Unlike district plurality elections, which usually sacrifice some of the outstanding party leaders to adverse local majorities, these elections appear to have returned nearly all of the Dail's leading figures. Mr. Cosgrave lost his usual place at the head of the poll in Cork City, but was elected as one of the minority members. The independent lord mayor of Dublin, Alfred Byrne, lost his usual lead in Dublin Northeast to Oscar Traynor, Mr. de Valera's minister of posts and telegraphs, but still was elected in that district along with General Richard Mulcahy, one of Mr. Cosgrave's leading associates. Mr. de Valera and all of his ten cabinet ministers were elected.

All the minority parties lost members, particularly Labor, which previously coöperated with Fianna Fail but this time went into opposition. The support of Mr. de Valera was so strong in every part of the country that but for P. R. the Labor and independent minorities would have been wiped out almost completely and Mr. Cosgrave's delegation would have been greatly reduced. As it is, the government party has been given an adequate majority without sacrificing the benefits of a strong opposition.

Mr. de Valera has always been known as a strong supporter of proportional representation on the ground, to use his own words, that "it is just." Early in this campaign he indicated that if it failed to give any party a majority by itself, he might consider suggesting its abolition. The popular reaction to this hint was distinctly unfavorable and Mr. de Valera gave assurance that no step of this kind would be taken without a separate referendum. More than once he indicated his own desire to continue the system provided it proved consistent with a stable government. As a matter of record, although it has not always had a one-party majority, Ireland's experience as to the stability of its governments under the freest system of proportional representation has compared most favorably with that of France and other European countries under plurality systems, even including Great Britain, and also with those countries which use inferior party list systems of P. R.

We hope to present further facts about the Irish P. R. elections in our next issue.

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Yonkers and Schenectady Plan P. R. Votes This Fall.—The Yonkers City Manager League, which narrowly missed carrying a P. R.-manager charter amendment in November 1937, has filed the necessary 10 per cent petition to bring a new proposal of the same kind before the city council and the council, on June 29th, passed an ordinance submitting the charter to a vote at the regular election in November.

Starting a little later but still in good time, a Citizens' Council for Proportional Representation is following the same course in Schenectady. Before this note appears in print petitions will be filed for a council of nine elected together by P. R. every two years to replace the present council of seven elected by plurality vote at large for four-year overlapping terms. So as not to rip any city councilman out of office the next council election under this proposal would be held next year under the old system, but for a two-year term, and the first P. R. election would be held for the entire council in the fall of 1941.

Schenectady has the city manager plan already. The amendment would retain an appointive manager and would add an appointive mayor, chosen from the P. R. council as its presiding officer and ceremonial head of the city by majority vote of the council's members. The mayor is now chosen by separate popular vote as a member of the council.

The proposed amendment is receiving good civic support and is backed by prominent members of all parties. The opposition is coming from the locally dominant Republican organization. City Clerk Simons Etkin has issued greatly exaggerated statements as to the cost of P. R. elections with paper ballots, followed by a thoroughly unfounded statement, based on a reading of the election law without regard to the city home rule law, that paper ballots could not be used at all and new P. R. voting machines would have to be purchased regardless of their expense. These statements have been adequately answered by Richard K. Hamlen, chairman of the Citizens' Council for P. R., and the council's attorneys, W. D. Smith, J. P. Boyle, and H. J. Sacharoff. The controversy has helped to arouse new interest in the P. R. proposal.

P. R. and City Manager before the Illinois Legislature.—Governor Horner, under the earnest persuasion of the Chicago city manager advocates, included the desired enabling legislation in his call for a special session of the legislature which was convened the first of June. The city manager bills, which include optional P. R., were introduced by the governor's floor leader in the lower house, Representative Adamowski. They were referred to the house municipalities committee after passing the first reading.

Under the present laws of the state of Illinois governing municipalities only towns of five thousand or less can have a council-manager form of government. In the last session of the legislature the bills which were introduced to extend to all municipalities the privilege of voting on a council-manager and P. R. charter were defeated by a vote of 72-66. The Chicago delegation, which is dominated by the Kelly-Nash machine, engineered this defeat.

The municipalities committee held a public hearing on June 8th for the proponents of the bills to furnish their arguments. A large contingent from Chicago went down to the capitol to testify. Witnesses were continually harassed by opponents of the measure. Representatives Daley, Skarda, and Quinn, all from Chicago, kept the meeting in an uproar with charges of "un-American," "fascistic" and "reactionary." The opposition was anxious to determine the names of those contributing to the city manager campaign fund. Fear of political reprisals forced the chairman for the City Manager Committee, H. Barry McCormick, to refuse to divulge the names of the contributors. He did, however, name the modest totals collected yearly since 1935.

Mr. Kroll of the Amalgamated Clothing Workers of Cincinnati appeared before the committee to testify to the benefits to be derived by labor. Mr. Kroll stressed the fact that labor had two representatives on a council of nine in Cincinnati, while in Chicago labor is unable to obtain even one representative in a council of fifty aldermen. Pickets are treated more humanely in Cincinnati, Mr. Kroll brought out, than in Chicago, as witnessed the Memorial Day massacre of last year.

One legislator expressed a fear that the nine members of the council under the city-wide

P. R. election might be elected from one precinct or even one house.¹ Representative Daley wanted to know why the state of Illinois or even the national government shouldn't have a manager if it is the best plan for the city of Chicago.

R. T. Soderstrom, president of the Illinois Federation of Labor, was the chief witness at the committee hearing devoted to the presentation of opposition to the bills. Un-American, reactionary and undemocratic were the tags pinned on the council-manager plan by Mr. Soderstrom while trying to convince the municipalities committee to kill the bills. Representative Van Der Vries soon after had Mr. Soderstrom admitting it was undemocratic to deprive the people of the right to vote on the type of government they wanted.

The municipalities committee concluded its hearing on the bills in the city council chambers in Chicago, Friday, June 17th.

E. F. EGAN

Chicago City Manager Committee

The Chicago City Club *Bulletin* of June 27th states that "because of dilatory tactics of certain members of the committee, there is now insufficient time for the passage of the bills by July 1st, which means that the bills will almost certainly be put over to the next session."—EDITOR.

*

P. R. in University Elections.—If the college students of today include the political and civic leaders of tomorrow, the outlook for P. R. seems bright. A considerable number of our leading institutions of learning are now using P. R. for student elections.

We are indebted to H. A. Gleason, Jr., of Cornell University and Richard M. Scammon of the University of Michigan for very full information about recent P. R. elections on their own campuses and at the University of Minnesota.

Cornell University

P. R. was adopted last year for the elections of the Cornell Student Council, by a vote of 686 to 77, in the hope of breaking the near monopoly of the "big six" group of about

¹This theoretical possibility is often used by opponents of P. R. but never even approached in actual P. R. elections. Because many voters vote with geographical considerations in mind and are given their due share of effect on the result, the members elected are always well scattered.—EDITOR.

twenty fraternities and, by injecting new blood into the council, stimulating it to greater usefulness in solving student problems. The council consists of a president, treasurer, secretary, and five other members elected by the incoming senior class men, five members elected by the incoming junior class men, three members elected by the incoming sophomore class men, and the president and vice-president of the Women's Self-Government Association, with certain non-voting members ex-officio. The members-at-large from each class are elected by P. R., the three officers by the Hare system of majority preferential voting.

At the first election, which was imperfectly organized, a ban was placed on open campaigning and plans to have the candidates express their views at open forums fell through. This put the independents at a disadvantage and only two were elected. In spite of the ban on campaigning there was a record poll of 1,200 votes.

At the second election, held this spring, the independents put on a real campaign and increased their representation by one, electing two out of five members-at-large for next year's senior class, one out of five for next year's juniors, and just failing to elect one of the three for next year's sophomores. The voting was even heavier than the year before and everything went more smoothly. The results are recognized as fairly representative.

With the adoption of P. R. for the student council the system has come into use for other campus organizations. The Llenroc Dining Association has elected its board by P. R. twice. The Cornell chapter of the American Student Union elected its delegates to the national convention at Vassar last December by P. R., averting a bitter struggle among several factions and dividing the representation among them to everyone's apparent satisfaction. The Cornell Independent Association has been electing its officers by preferential voting. When the student council recently created a freshman council of eight, it prescribed P. R. for its election. "All in all," Mr. Gleason writes, "P. R. seems to be getting a good hold on the campus, so that it is taken for granted in a number of organizations."

University of Michigan

Early this year the Michigan League, the Student Religious Association, the Michigan

Union, and several other campus organizations joined together to sponsor a new Student Senate for the University of Michigan. The senate was designed to serve as an organ of campus-wide student opinion, not only on university problems but also on national and international questions. P. R. was prescribed for the election of its thirty-two members. After a spirited campaign, in which a United Liberal Coalition, Conservative party, Progressive Independent party, and several other groups put forward candidates and platforms, the election was held on March 11, 1938. A total of 1,715 ballots were cast, of which only six were blank or invalid and 1,617, or 94 per cent, were effective in actually helping to elect candidates voted for. Eight United Liberals, six Conservatives, three Progressive Independents, two Liberals, the one United Communist League candidate, and twelve others were elected. The winners included both men and women, members of all classes, from freshman to graduate, and one Negro.

University of Minnesota

Mr. Scammon, the graduate student who conducted the P. R. count at the University of Michigan, has also sent us information about the recent adoption and use of P. R. at the University of Minnesota. Last year, after agitation over a four- or five-year period, the student body adopted P. R. for an All-University Student Council of fifteen members, to be elected at large.

On the old council six members had been elected together by cumulative voting from the College of Liberal Arts and one or two members by each of the smaller colleges by majority vote. This plan had "provided an almost permanent fraternity coalition majority, and the new P. R. plan was finally carried through by the liberal, non-fraternity opposition group."

The first election was held April 14, 1938. "P. R. was introduced into a flourishing party system and the thirty-two candidates who ran included fourteen of the (former) majority, conservative, fraternity Gopher party and twelve of the minority, liberal, non-fraternity Progressive party. There were also six independent candidates." Most of the voters followed party lines and the results were as follows:

Party	First-choice votes	Members elected
Gopher	1,197 (45%)	7 (47%)
Progressive	1,020 (38%)	6 (40%)
Independent	458 (17%)	2 (13%)

Total valid 2,675

15

Invalid and blank 83—3% of total vote.

At the same time five students were elected by plurality vote to a university board in control of student publications. On much the same party vote four Gophers and one Progressive were successful.

Brooklyn College, New York, has used the Hare system of proportional representation for the election of class representatives to the student council at its last two elections. Three representatives are chosen from each class. Officers of the student council, including president, vice-president, secretary, and treasurer, are elected at large by majority vote. In each of the P. R. elections, the ballots have been counted by members of the Bureau of Government Research, an undergraduate organization sponsored by the Department of Government.

Other institutions of higher learning now using P. R. for student elections, according to recent information, include Syracuse University, Columbia University, New York University, St. Lawrence University, University of Wisconsin, and Antioch College.

PLANNING

INCLUDING ZONING

Edited by

Alfred Bettman and Walter H. Blucher

New Jersey Planning Decision.—An outstanding decision in the field of planning is that of Justice Heher of the New Jersey Supreme Court in *Mansfield and Swett, Inc. vs. Town of West Orange*. Without going into the details of the case, which involve the subdivision regulations of the community, we quote in part from that decision. "To particularize, the public health, safety, order, and prosperity are dependent upon the proper regulation of municipal life. The free flow of traffic with a minimum of hazard of necessity depends upon the number, location, and width of streets, and their relation to one another, and the location of building lines; and these considerations likewise enter into the growth of trade, commerce, and industry.

Housing, always a problem in congested areas affecting the moral and material life of the people, is necessarily involved in both municipal planning and zoning. And it is essential to adequate planning that there be provision for future community needs reasonably to be anticipated. We are surrounded with the problems of planless growth. The baneful consequences of haphazard development are everywhere apparent. There are evils affecting the health, safety, and prosperity of our citizens that are well-nigh insurmountable because of the prohibitive corrective cost. To challenge the power to give proper direction to community growth and development in the particulars mentioned is to deny the vitality of a principle that has brought men together in organized society for their mutual advantage. A sound economy to advance the collective interest in local affairs is the primary aim of municipal government."

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Detroit Builds Relief Houses.—The city of Detroit has completed the construction of ten houses for persons on relief. The houses are of brick veneer and each home has hot-air heat, a full basement, gas refrigeration and stove, and electric lights. They have been criticized as being too small for the average family. Materials used were reclaimed building materials obtained by the city of Detroit. WPA labor was employed. Although the department constructing these houses estimated that the cost was between \$2,200 and \$2,800 a later audit showed the cost of each house to be nearer \$5,000.

*

Park Your Car on Your Lot.—The zoning ordinance of Bronxville, New York, has been amended to provide that parking space for automobiles must be provided in the residence district on the lot, thus taking the cars off the street. In the multiple dwelling areas, there must be parking space or garage space large enough to accommodate an automobile for each family.

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Municipal Parking Lots.—In an attempt to solve their growing parking and traffic congestion problems, cities in at least seventeen states have acquired municipally-owned parking space near their central business districts, according to a survey conducted by the

American Society of Planning Officials and the International City Managers' Association, in coöperation with two hundred cities representing every population group.

Twenty-five cities reported that they are providing off-street parking space, while six others announced surveys of their parking problems with a view toward establishing municipal parking lots. Parking fees range from ten to seventy-five cents a day, with twenty-five cents the average fee for all-day parking.

Chicago's lake-front parking space in Grant Park, near the business district, is probably the largest municipal parking area in the nation; it now has a capacity of 2,500 cars and is being enlarged to provide parking facilities for 3,500 cars within the next few months.

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Termination of non-Conforming Uses.—

The bill introduced in Congress for the zoning of the District of Columbia had a provision providing for the termination of non-conforming uses. This was considered a desirable step forward in zoning administration since non-conforming uses have been important factors in the deterioration of land values. The section of the bill dealing with such non-conforming uses has, however, been eliminated in the Senate.

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Planning Conference.—Three hundred and sixty-seven persons from thirty-four states, the District of Columbia, Canada, England, and Holland attended the National Conference on Planning held in Minneapolis June 20th to 22nd. The conference was sponsored by the American City Planning Institute, the American Planning and Civic Association, and the American Society of Planning Officials. Among the subjects discussed were: Planning a Housing Program, The Value of Planning to Public Officials, Traffic Studies in Relation to City Planning, County, Metropolitan, and Regional Planning, Urban Land Policies, Rural and Agricultural Zoning, Trends in Planning Law, Legislation and Litigation, The Administration of a Planning Office, State Planning, Education for Planning in the United States, Migration and Economic Opportunity, and Capital Budgets and Improvement Programs.

GOVERNMENTAL RESEARCH
ASSOCIATION NOTES

Edited by Robert M. Paige

Governmental Research Association.—

The annual conference of the Governmental Research Association will be held from September 7th to 10th in Princeton, New Jersey, at the attractive Princeton Inn.

The conference will convene Wednesday noon, September 7th, and at the luncheon session Mayor Charles Erdman of Princeton will deliver a welcoming address. The afternoon session will be devoted to a roll call of research agencies. At this session research bureau directors will indicate what they have accomplished during the past year and the projects which they are planning to carry on during the year to come.

At the dinner session, Wednesday evening, Dr. William E. Mosher of Syracuse University will talk on university-research bureau relationships.

On Thursday, September 8th, the morning session will be devoted to a discussion of the statement presented by eighteen governmental research men to the United States Senate Committee on Unemployment and Relief. At this session there will be a general consideration of unemployment relief and the relief financing problem.

Following the luncheon on Thursday, Professor J. Douglas Brown of Princeton University will discuss the report of the President's Advisory Council on Social Security, of which body he is chairman.

On Friday, September 9th, the morning, afternoon, and evening sessions will be devoted to discussions of population trends, planning, and housing. Harold Henderson, director of the Minnesota Institute of Governmental Research, is in charge of the session on "population trends and what these trends mean to state and local governments." Several outstanding population authorities will speak at this session. Philip Cornick, member of the staff of the Institute of Public Administration, will be in charge of the session on urban land planning. Miss Catherine Bauer, director of research for the United States Housing Authority, will address the conference on the problems involved in initiating a large-scale public housing program in this country. Other

planning and housing experts will participate in these sessions.

Saturday morning, September 10th, will be devoted to a session on interesting new administrative developments, with particular reference to financial controls. At this session the recently enacted New Jersey legislation relating to local government finance will be discussed by Professor John F. Sly and others.

At the final luncheon session, Saturday noon, Luther Gulick, director of the Institute of Public Administration, will talk on the work of the Regents' Inquiry into the Character and Costs of Education in New York State.

Full details with reference to the conference program may be secured by addressing a request to the office of the secretary at 1313 East 60th Street, Chicago.

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Duluth Governmental Research Bureau.—

During the past year the bureau has attended all regular meetings of the school board, city council, county board, and board of public welfare. Such attendance makes possible a continuous sample check of day-to-day public transactions which is the most important and effective activity of the bureau. Furthermore, in no other way can the necessary knowledge of current public affairs be maintained, and in no other manner can there be so many opportunities to make suggestions for improved procedure or better methods that the conscientious public official welcomes at all times.

Budgets.—Representatives of the bureau sat in at the budget sessions of the city and county, entered into the discussion of the various spending proposals, participated in reducing city budget requests for the operating funds over \$280,000, and successfully pointed out that \$50,000 more than was necessary had been requested for the city bond sinking fund.

Relief Problem.—The bureau prepared a summary statement of local, state, and federal relief expenditures in St. Louis County, Minnesota, from 1930 to 1937. This statement has been used locally as a means of presenting the size of the relief problem, and was used in preparing certain statistical data incorporated in a statement made before the United States Senate Committee on Unemployment and Relief by Mr. Carl P. Herbert of the St. Paul Municipal Research Bureau. This state-

ment was signed by the executive heads of eighteen governmental research bureaus in as many different cities, including Duluth.

School Enrollments.—The bureau rechecked the trend of births and school enrollments which were set forth in a bureau study of two years ago. This showed that while the number of marriages had increased, the birth rate had increased but 40 per cent as much, and that elementary school enrollments will continue to decrease until at least 1942 and high schools even to a later date, provided the number of families moving into Duluth does not exceed the number moving away.

Legal Basis of City Government.—The bureau prepared and published a complete analysis of the legal basis of the administrative organization of the city of Duluth, which provides basic information on the city government that has never before been available in comprehensive form. As typical results, current operating expense of the airport has been put on a pay-as-you-go basis instead of being financed by bonds, the city attorney's office is making a check-up of the charter requirements that all appropriations be made by ordinance, and the reclassification of positions now under way by the Civil Service Commission has resulted in the city attorney being asked for an opinion as to whether certain positions, which have heretofore been considered exempt, should not come within the civil service provisions of the charter.

Pensions.—The bureau examined the cur-

rent status of the local pension funds of the teachers, firemen, and policemen.

Road and Bridge Affairs.—The bureau has just completed a study of the legal basis of the administration of the county road and bridge fund, including a historical summary of the development of the present methods. This study will be published soon. It will help to clarify the legal requirements of the road and bridge administration, and will be used as the basis for suggestions for possible corrective legislation to be presented to the next session of the legislature.

The bureau's program for the coming year shapes up as follows:

St. Louis County.—The publication of the study of the St. Louis County road and bridge administration will provide new opportunities to attack the inefficiencies of county government.

New Hospitals.—Proposals for a tuberculosis sanatorium and enlargement of the welfare board's hospital facilities will be examined.

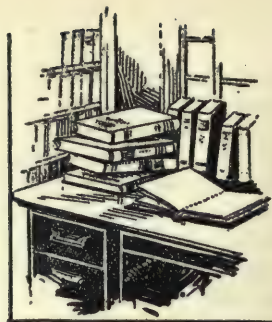
School Buildings.—The problem of additional secondary school buildings will be studied.

General.—The staff will endeavor to do those things in and about government that the citizens are supposed to do for themselves, but which, because of the urgency of everyday affairs, indisposition or inexperience, they themselves do not or will not do.

M. W. DEWEES,

Executive Secretary

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

State and Federal Grants-in-Aid. By Henry J. Bittermann. New York City, Mentzer, Bush and Company, 1938. x, 550 pp. \$4.00.

Recent issues of the *NATIONAL MUNICIPAL REVIEW* contain articles and other references to a growing complaint of local officials—that as time goes on a grant-in-aid tends to have more and more strings attached to it until local initiative practically disappears in that field. The grant-in-aid was discussed at the conventions of practically every league of municipalities last year; the proceedings and resolutions passed show that local officials are saying that the device is always bringing to mind the fable of the camel that began by getting his nose in the tent and ended by pushing his owner out.

All of this leads to the easy prophecy that much white paper will yet be dirtied before we adjust ourselves to the proper use and control of this sweet-sour contrivance. In any event any future discussions of grants-in-aid will contain numerous quotations from Dr. Bittermann's treatise in order to be thorough and well buttressed. His definition of a grant-in-aid, which sets it off from the "shared tax," is "a payment made by a central to a local authority to defray part of the cost of a service administered by the local authority, usually subject to some conditions set by the central government, which may inspect and partially control the service and, if conditions are not satisfactory, withhold future payments of the grant."

The various means used for raising funds from which to make grants, as well as the terms upon which the grants are sometimes allotted, leads the author to first consider them as financial devices. This is done in a group of chapters that present the important princi-

ples and their deviations which are used to finance such objectives as education, highways, relief, and social security. The same objectives are then recanvassed in another group of chapters but now the grant-in-aid as an administrative device becomes the basis of inquiry and arrangement. This re-examination, however, is not repetition and the double treatment gives the student not only fullness but clarity.

The interactions of state and federal programs in the case of each objective are studied with care. It would be too much to expect also in the same book a discussion of the interaction within each state of that state's program, concerning each objective, with local programs, but such discussion is not entirely omitted, as for instance in the chapter on unemployment relief administration.

The aspect presented in a final group of chapters is that of the apportionment of grants. The formulae and practices recorded are discussed from a very sensible viewpoint, that of "the ends sought by the subvention system." This enables the writer to land a body blow on that hoary and decrepit argument that it is "unfair" for New York State to "pay" \$928,000,000 into the national treasury and "receive" only \$8,700,000.

The concluding chapter is, of course, devoted to the task which is obligatory upon all who write such a volume, the sacred duty of "evaluation." The recommendations it contains are not so many in number and, preceded by a clause that points out that other means should not be neglected, the book ends with the quiet words that the grant-in-aid "may be used as an important device for gradual improvement of state and local government and administration." There is thus left to its readers the job of changing the probability of

"may" into the "inevitability of gradualness." Local officials and civic-minded laymen who are at present worried about the final effect of the grant-in-aid on local democracy will keep this book within reach for a long time.

WALTER J. MILLARD

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Public Enterprise. Development in Social Ownership and Control in Great Britain. Edited by William A. Robson. London, George Allen & Unwin, Ltd., 1937, 416 pp. 12/6. (Distributed in the United States by the University of Chicago Press, \$3.00.)

With the emergence of the service state, governments the world over are venturing into new fields of enterprise. As they assume new services they are inventing new administrative devices for their governance. This welcome and timely account of recent British experience indicates the variety of administrative choice that confronts the state when it enters the arena of economic activity and discusses the problems inherent in the various devices chosen.

Professor William A. Robson of the University of London has edited a volume which takes the form of a symposium. His own contributions consist of a paper on the British Broadcasting Corporation as well as a preface and a chapter of general conclusions on the public service board. The other chapters and the specialists who treat them are as follows: The Port of London Authority, by Lincoln Gordon, Ph.D., instructor in government, Harvard University; The Forestry Commission, by John Parker, M.P., general secretary, New Fabian Research Bureau; The Central Electricity Board and Other Electricity Authorities, by Graeme Haldane, M. I. E. E., consulting engineer; The London Passenger Transport Board, by Ernest Davies, director of First Coöperative Investment Trust Ltd.; The Coal Mines Reorganization Commission, by Ivor Thomas, formerly senior demy of Magdalen College, Oxford; The Agricultural Marketing Boards, by W. H. Jones, assistant lecturer in agricultural economics, University College, Aberystwyth; The Post Office, by John Dugdale, L. C. C., private secretary to Rt. Hon. C. R. Attlee, M.P., former postmaster-general; The Organization of the Co-operative Movement, by G. Walworth, agricultural organizer, Coöperative Union.

Public enterprise is usually revenue-producing and often "self-supporting." This invites the use of the amphibious device of the public corporation, a hybrid creature of public and private antecedents. In the United States we too have come to see its values as well as its dangers. The government corporation, said the report of the President's Committee on Administrative Management (Washington, January 1937) "has proved to be an effective device not only for emergency purposes but for the continuing operation of a variety of economic services. Its peculiar value lies in freedom of operation, flexibility, business efficiency, and opportunity for experimentation. These advantages, however, raise unusual problems in the realm of administrative management. Special forms of supervision and control are needed to preserve these values and at the same time to insure that they are utilized in the public interest." In commenting on boards, the committee said: "For purposes of management, boards and commissions have turned out to be failures. . . . When freed from the work of management, boards are, however, extremely useful and necessary for consultation, discussion, and advice; for representation of diverse views and citizen opinion; for quasi-judicial action; and as a repository of corporate powers."

Public Enterprise has particular relevance for American students of public administration at a time like this which finds us experimenting on a broad front with the use of the corporate form in government, when the comparative merits of boards and commissions versus single administrators have become national issues, and when the relationship of such public undertakings to the executive and legislative branches is the subject of fierce Congressional debate. Surely, factual material from another democratic state concerning the successful means, as well as dangers to be avoided, in operating public enterprises is doubly welcome at this juncture.

The similarities in the general problems of the use of the board or corporate form in the two countries are as striking as the differences in their detailed applications and background. Not since the pioneer work of Professor Marshall Dimock of Chicago on *British Public Utilities and National Development* (London, George Allen & Unwin, 1933)

have we had such valuable guideposts to a sounder development of public enterprise.

HERBERT EMMERICH

Public Administration Clearing House

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The Unicameral Legislature. By Alvin W. Johnson. Minneapolis, University of Minnesota Press, 1938. ix, 198 pp. \$2.50.

Nebraska's adoption of a one-house legislature has inspired yet another volume. Mr. Johnson's book is a concise discussion of the movement which began—in recent history—in 1912 in Ohio and Oregon and grew to striking proportions following Nebraska's adoption of the plan in 1934. During last year, no less than forty amendments for the reducing of legislatures to a single house were considered in twenty-one states. The author discusses the historical process by which the bicameral legislative body was established in America, early experiences with a single-chambered legislature in Pennsylvania, Vermont, and Georgia, and the experiences of England, Canada, and other countries with a one-house legislature. Several appendices, setting forth the Nebraska amendment and proposed amendments in Ohio and California, together with a bibliography, complete the volume.

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Personnel Administration in the Federal Government. By Lewis Meriam. Washington, D. C., Brookings Institution, 1937. 62 pp. Fifty cents.

This is an able discussion of the proposals put forth by the President's Committee on Administrative Management in so far as they deal with personnel. To the committee's proposal that the Civil Service Commission, as established in 1883, be abolished and its functions transferred to a central personnel agency under a single head, possibly with a nonpartisan board appointed to serve as a watch-dog of the merit system, the author takes exception. He points out the dangers of such a change as he sees them and sets forth his own recommendations for improving the administration of the federal civil service.

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Municipal Finance Legislation, 1937. By Irving Tenner. Chicago, Public Administration Service (Publication No. 59), 1938. vi, 64 pp. \$1.00.

This is the second digest of municipal

finance legislation issued by Public Administration Service, the first appearing shortly after the 1935 legislative sessions. According to the present report, the forty-odd legislatures meeting in 1937 passed nearly a thousand laws dealing with municipal finance. A comparison of the two years shows that the emphasis this past year was away from tax collection problems, a matter to which the 1935 legislatures devoted much effort. One of the most hopeful signs in the 1937 laws was the establishment or continuation of commissions to study financial problems. A classified survey of the legislation passed, under the principal headings of taxes, debt, revenues, and depositories, follows a statement summarizing the work of the legislatures.

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Measuring Municipal Activities. By Clarence E. Ridley and Herbert A. Simon. Chicago, International City Managers' Association, 1938. v, 102 pp. \$2.00.

This study should prove invaluable to public administrators and other students of government interested in appraising the accomplishments of local government. The pamphlet contains a discussion of the means of measuring the administrative results of eleven chief activities of municipalities—police, fire, health, welfare, personnel, finance, planning, recreation, public works, education, and library service. Appendices contain a bibliography and suggested monthly report forms. The study not only summarizes measurement techniques now being used but points the way to the next steps which might be taken in the measurement of municipal activities.

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Social Saga of Two Cities. By Calvin F. Schmid. Minneapolis, Minneapolis Council of Social Agencies, 1937. xvi, 418 pp. \$3.50.

This book—"an ecological and statistical study of social trends in Minneapolis and St. Paul"—presents in orderly and systematic fashion a great mass of material on the twin cities. Included in the subjects discussed are crime, delinquency, health, housing, population composition, dwelling rentals and valuations, crowded living conditions of families, home ownership, etc. The study contains few direct recommendations for improvement of social conditions, but an examination of its contents should act as a stimulant to efforts in the direction of social betterment.

Realty Tax Delinquency in Michigan.

By Robert S. Ford. Ann Arbor, University of Michigan, Bureau of Government (New Series Bulletin No. 8), 1937. vi, 125 pp.

This is a comprehensive analysis of tax delinquency, by counties, throughout the state of Michigan.

The study is divided into four parts—judicial procedure, an analysis of tax delinquency for 1934 and prior years, the reversion of tax delinquent lands to the state and the administration of those lands, and a discussion of the causes and treatment of tax delinquency. It is well illustrated with charts and tables.

*

The Costigan Amendment. Chicago, National Association of Assessing Officers (Bulletin No. 18), 1938. 22 pp. Fifty cents.

The Costigan amendment, passed in 1935, repealed the notorious "pink-slip" provision of the revenue act and substituted a section permitting examination of federal income tax returns by certain tax officers to aid in the administration of state tax laws. Due to a somewhat obscure interpretation of the Treasury Department, this privilege of examination is limited to state officers or employees, who may in turn relay the information to local tax officers with the approval of the governor of the state.

This pamphlet is designed to guide local assessors and state tax officers in securing access to federal income tax returns, transcribing or photographing them, and putting the information to use in the assessment of property taxes. It includes various examples of the effects of such examination in the assessment districts in which the privilege has been used.

*

Municipal Index and Atlas. New York City, American City Magazine Corporation, 1938. 667 pages, \$5.00.

This is the fourteenth annual edition of a most valuable compilation of facts and figures relating to American cities. The volume contains maps of all the states with counties well outlined; an index of city managers, mayors, and other local officials; with articles and statistics on streets and highways, water supply, sewage and garbage disposal, light and power, public safety, parks and playgrounds, etc. A bibliography, "New Books for the City Hall Library"; legal decisions on

the city's legal rights and duties; financial statistics of cities; etc., complete the volume.

*

Public Administration Organizations.

A Directory, 1938-1939 (fourth edition). Chicago, Public Administration Clearing House, 1938. xi, 184 pp. \$1.50.

The fourth edition of the directory of organizations in the field of public administration lists more than two thousand voluntary associations of those concerned with managing the public's business. Of these, 558 are national organizations on which the directory carries full information. A total of 1,342 state, 80 regional, and 87 Canadian organizations are also listed. The directory does not include strictly local groups, political parties, service clubs, or fraternal organizations. Eighteen new national groups, including the American Association of Juvenile Court Judges, the American Association of Leisure Time Educators, the Automotive Safety Foundation, the Bureau of Coöperative Medicine, the International Association of Traffic Police, the Interstate Conference of Unemployment Compensation Agencies, and the National Association of Sanitarians, are included in the new directory.

*

1937 Tax Rate Book. By League of Kansas Municipalities (Bulletin No. 111). Lawrence, Kansas, 1937. 27 pp. \$2.00.

A compilation of the city, the city school, and the county tax rates effective in 587 cities and 105 counties in Kansas for the year 1937, together with the population, assessed valuations, percentages of taxes collected, bonded indebtedness, and outstanding registered warrants.

*

Gasoline Taxes, Motor Vehicle Taxes, Highway Costs and Automotive Revenues. By Mabel L. Walker. New York, Tax Policy League, 1938 (February, March, and April issues of *Tax Policy*) 8, 24, and 19 pp. Twenty-five, fifty, and twenty-five cents respectively.

These three issues of *Tax Policy*, combined, present a picture of automotive revenues and highway costs, state by state. The bulletins contain numerous tables of rates and other factual material as well as an analysis of automotive revenues in relation to highway costs.

NATIONAL MUNICIPAL REVIEW

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Greenbelt, a Federally Planned Community

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The P. R. Elections in Ireland

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Smallest Jersey Town Under Manager Plan

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NATIONAL MUNICIPAL LEAGUE

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National Municipal Review

Vol. XXVII, No. 8

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Editorial
Comment



August, 1938

Suburbs—Curse or Blessing?

IN THIS issue of the NATIONAL MUNICIPAL REVIEW appears a significant article discussing the method of eliminating townships in Oklahoma—by the simple process of cutting off power to levy taxes for township purposes and transferring functions to the counties.

While a process such as this is probably easier to carry through in the newer states, the Oklahoma experience should be one worth thoughtful study in all the others, every one of which feels the pinch of decreased revenue and must sooner or later do something about the multiplicity of governmental units.

This does not mean that in every state the same solution may apply. It is generally recognized that the eastern town is a much more useful unit of government than the middle-western township. Overlapping governments create the problem which must be solved—probably in different ways in different states. It is certainly true that too many units exist largely because they are relics of another period when problems were much simpler and services comparatively few.

The situation is most critical in the suburban areas where overlapping units create chaos in local government. Consolidation and transfer of functions are essential even to obtain a clear picture of what is happening.

For example, a study of Nassau County, an area suburban to New York City which more than doubled its population between 1920 and 1930, revealed

that more than one hundred local fire departments existed where less than one-third, systematically located and coordinated, would have provided better protection. It was also revealed that, in this county of 273.4 square miles, there were thirty-five separate and distinct police departments, many of which exercised jurisdiction over less than one square mile of territory and cost the people amounts varying from \$3.54 to \$69.13 per capita.

These areas involve, too, another but related puzzle, although, like the weather, no one has done much about it.

Since the automobile began to disperse populations and rob the cities of their ablest people, financially and from the standpoint of leadership, there has been no lessening of services or expenses. The suburbanite wants to live just close enough to have all the urban advantages and just far enough away to escape the burdens of taxation.

Many cities are therefore wondering, "What is a fair contribution to the upkeep of the city by a suburbanite who makes his living in the city, and, more important, how is he to be made to pay it?"

There has been less scientific investigation of this question than of many far simpler ones. State aid to municipalities and to various service districts has been extended as a partial corrective, and sometimes the formation of metropolitan sewerage, water, health, and other districts nibbles off a few edges.

But the main pattern, distorted by growing blighted areas, better transportation facilities to help the suburb-

anites in their daily dashes to work and home, increasing services and decreasing revenues, remains.

Escape from Pressure Groups

MUCH is said from time to time about the career ideal in public service. A great deal of it is little more than the wishful thinking of reformers who whistle in the dark to keep up their courage in the face of conditions which all too often reveal but few signs of progress.

There have been many examples in recent years of the effectiveness of organized minorities in wrenching special favors from easily impressed local, state, and national governments. Whether it happens to be the policemen, firemen, teachers, veterans, or one of the other public employee groups, it goes on and on, and the results, even though they may be along the lines of justice and wholly deserved, certainly are haphazard, to say the least.

The pay increases and other advantages granted to isolated influential groups in the public's service surely are gained at the expense of fellow workers who lack the means of putting on the pressure—unless budgets are flexible, which they aren't. One frequent natural result is that there isn't enough money left to pay properly those in

the most responsible technical positions; and what does that do to the career ideal? How are we going to keep the best qualified in the public service if they can obtain a suitable reward only by finding means of whipping a legislative body into line?

More and more state and local governmental units are finding the answer by "calling in the doctor" for a genuinely scientific diagnosis of the entire body instead of putting a bit of salve on each finger from time to time as it becomes sore.

It is becoming the style for state legislative committees to employ a staff of experts to investigate technical problems like taxation, public debt, public health, etc.

A few state and local legislative bodies, faced with a growing realization of a lack of balance between the employees of the various public services, find an effective means of escape from pressure groups by deciding:

"Let's call in experts to make a thorough study of the whole problem and get it settled on a scientific basis."

Toledo Inspects Its Government

By ALLEN H. SEED, JR.

Executive secretary of Toledo's City Manager League describes municipal exhibit which demonstrated to Toledoans what city manager—P. R. government has done for their city in the way of new and improved services.

AN UNUSUAL opportunity to look "under the hood" and inspect the municipal "motor" was afforded the people of Toledo during an exposition put on by the city June 2nd, 3rd, and 4th, under the auspices of The City Manager League and the League of Women Voters.

While citizens generally have been conscious of their improved local government since the manager plan was adopted three years ago, the up-to-date pattern of city services, presented to the public for the first time in booths and exhibits, was a revelation even to those who have followed conditions closely under the new regime.

For three days Toledoans thronged the civic auditorium, inspected public buildings and plants, flew over the city in specially chartered planes, thrilled at police and fire drills, and listened to municipal programs on their radios.

By the time the exhibition closed, suggestions for the next one were being discussed, as it was taken for granted that the affair would become an annual civic event.

Plans for the first municipal exposition grew out of an incident in connection with the Toledo centennial celebration last year. A typical civic parade with floats and bands had been scheduled. The city was invited to participate. Accordingly, some units of the new motorized equipment recently purchased for the safety and service

departments were entered in the parade and, to furnish contrast, were paired with the outmoded equipment which they were replacing. This section of the parade provoked considerable favorable comment. There was a demand to put the entire new city government "on parade" to show the people how their municipal business was run under an experienced city manager, supported by a small nonpartisan council elected from the city at large by proportional representation.

The suggestion was first discussed by representatives of the civic organizations with City Manager John N. Edy, who not only approved the idea but offered many constructive suggestions for carrying it out. A conference was held with the heads of all city departments and divisions and the idea of a municipal "open house," with possibly an exposition, special inspection tours, and other features, proposed.

City officials were enthusiastic from the start and voted unanimously to adopt a program which would permit the public to inspect city operations at first hand. A joint committee was then set up to develop detailed plans and make all the necessary arrangements. This committee consisted of three representatives from each of the civic organizations and three from the city, under the general chairmanship of D. E. A. Cameron, the commissioner of purchases and supplies. Through frequent meetings of the joint committee, policies were determined and a complete program framed.

At the outset, it was agreed that the objective would be to provide every possible opportunity for the public to become better acquainted with all branches of the city's services. For this reason the committee decided to extend the program over a three-day period and to combine the "open house"

idea with the actual inspection of public buildings and institutions, with a permanent exhibition in the civic auditorium featuring a cross section of all important municipal activities for those who could not take time to make the inspection tours.

The slogan adopted was: "Know Your City," with "Toledo Open House" and "Government in Action" injected into all announcements and publicity material.

The city agreed to assume full responsibility for the show itself, the two leagues to publicize the event and provide guides and hostesses. All department heads were invited to submit plans for the participation of their units.

Emphasis was placed on the desirability of animating the exhibits, as it was generally recognized that the public would be more interested in exhibits showing action than in static displays such as charts, diagrams, photographs, and models. Through personal conferences with the members of the arrangements committee and the incentive of competition, many original ideas were presented and incorporated into the show. A further stimulus was the *Toledo News-Bee's* announcement that it would present a cup to the city department having the most interesting exhibit—the public to be the judge.

ADVERTISING THE EXPOSITION

While plans for the exposition were being developed, the affair was being publicized through the efforts of the sponsoring organizations with the assistance of a local advertising man who had been specially retained for the purpose.

Letters and tentative programs were sent to all organizations and clubs throughout the city, asking them to bring the affair to the attention of their members through announcements at meetings, notices on bulletin boards, or in

their publications. Similar letters were sent to all clergymen, inviting their co-operation and asking them to inform their congregations of the civic event.

The three daily newspapers and the various foreign language and weekly papers in Toledo were especially co-operative, publishing news stories, features, and pictures frequently for two or three weeks preceding the exposition, which served greatly to arouse public interest.

Hundreds of artistic posters, featuring different municipal activities, buildings, and plants, were prepared by children in the public schools and distributed by boy and girl scouts to retail stores, where they were prominently displayed. In some of the art classes three-dimensional displays were prepared, which were used to dress windows in some of the larger downtown establishments. In addition, a simple red, white, and blue printed poster was prepared and distributed to outlying stores, bus and railroad terminals, libraries, YMCA's, community centers, and other public places. A local outdoor advertising company contributed a number of three-sheet posters to advertise the exposition, which were displayed at prominent locations.

One large bakery carried posters on the fleet of trucks which it operates and, in addition, distributed three hundred posters to retail stores which it serves. The Community Traction Company, which operates the street cars and busses in Toledo, carried posters in all of its vehicles during the entire week of the exposition. The two major taxi companies used a small window sticker, as did many private cars. All city equipment carried exposition stickers on their windshields.

News commentators for the two local broadcasting stations contributed time to announce the exposition and invite the public to participate. Letters and

bulletins to members of the City Manager League and League of Women Voters contributed to the advertising program.

In order that the newspapers would have sufficient material for the affair's publicity, a special story featuring some aspect of the exposition was prepared and released daily.

The result was that when the show opened on June 2nd, the public was in the state of mind of a small boy who has seen the circus posters, watched the "Big Top" go up, and is on tiptoe for the parade to start.

"SAFETY DAY"

The show opened with a fire and police exhibition in the civic center. Three thousand people surrounded a vacant lot on which had been erected a small building of old lumber and inflammable material. At a given signal the building was set on fire, and an alarm was turned in which was responded to by several pieces of fire fighting apparatus and the rescue squad. Within three minutes after the alarm had been given, the fire was extinguished and the first thrill was over.

The police then put on a public drill and passed in review before the mayor, council, and city manager and were formally inspected by them. Immediately following this event, aerial bombs, whistles, and fire bells announced to the city that Toledo's municipal exposition was open.

The first day was designated "Safety Day" and was dedicated to the fire and police departments. Special escorted tours of the safety and alarm buildings were scheduled and taken advantage of by hundreds of visitors. Operations and equipment were shown and explained by representatives of the two departments, assisted by members of the Junior Division of The City Manager League, who helped handle the crowd, distributed

literature, and performed other services.

On the opening night members of council and city and county officials made a formal inspection of the exhibits displayed at the civic auditorium. Officials and visitors were quick to note that the slogan of the exposition, "Government in Action," had been well carried out. There was action everywhere—men were working, machines were in operation, lights were flashing. Three departments were running moving picture shows. A courteous representative of the department affected was on hand at each booth to answer questions, operate equipment, or give brief lectures.

As the visitors came in, they were greeted by hostesses recruited from the League of Women Voters and The City Manager League, who gave them printed programs listing the exhibits and tours, and ballots for the "best exhibit" newspaper award.

The auditorium itself was spacious, well lighted, and attractively decorated, with all exhibits arranged around the walls on three sides, permitting a wide aisle for passage. A thousand seats were arranged in the center, facing the stage, on which special nightly programs were conducted.

It would be impossible to describe all the exhibits in this article. Some of the "high spots," however, were: miniature putting green, with golf professional in charge (parks department); a few cages of specially selected animals (municipal zoo); complete scale model, down to the smallest detail, of the welfare farm; exhibit showing polluted food and methods used to detect it (health department); diver with complete under-water uniform and equipment (bridge inspection division); miniature sewage disposal plant in operation; standard traffic lights, with timing device opened up for inspection; fire-arm arsenal, tear-gas and "tommy"

guns, and other police equipment, demonstrated by a special officer assigned to the exhibit (police department); broom-maker engaged in manufacturing regulation street sweeper, this last winning the award for the most interesting exhibit.

Drawn up outside of the building and in the market section, separated from the main auditorium, were displayed the latest police and fire motor equipment.

On "Safety Day" all fire houses throughout the city were open to the public, with children especially invited to visit them and see the firemen go through the motions of responding to imaginary alarms. During the show all public buildings, plants, and institutions held "open house" to the public and were visited by hundreds of interested citizens.

On the second day, designated "Service Day," special escorted tours in chartered busses were arranged to the filtration and sewage disposal plants. The latter, which is doing a profitable business in selling pulverized sludge, held a public contest to give the product a trade name, permitting all visitors to the plant or the booth to submit suggestions, the prize winner receiving a twenty-pound sack of sludge, while each visitor received a small sample in a paper bag.

The second day's evening stage program consisted of a "Know Your City" quiz-bee for high school contestants, conducted by the League of Women Voters. Philip C. Nash, president of the University of Toledo, presided and the three newspaper editors served as judges. This program was broadcast by Station WTOL.

The closing day, "Welfare and Health Day," featured the parks, municipal zoo, and airport. In addition to providing free admission to the zoo that

day, there was a special complimentary showing of Martin Johnson's film "Simba" in the Museum of Science Building and in the evening, a Philharmonic concert and ballet in the open-air theatre.

The Junior Chamber of Commerce ran chartered busses to the municipal airport, where visitors were shown through the administration building, weather bureau, and hangars. Those who desired to do so could take sky rides over the city at a special exposition rate.

PRIZES AND AWARDS DISTRIBUTED

The closing ceremonies drew by far the largest crowd. More than two thousand were on hand to see Percy C. Jones, son of Toledo's nationally famous mayor, the late "Golden Rule" Sam Jones, present, on behalf of The City Manager League, certificates of merit to 163 city employees who had completed twenty-five years of public service. This was done with the participation of all department heads, who were seated with Mr. Jones, the mayor, and city manager on the platform. Practically every city employee entitled to the award, with his family, was in the audience. Following the presentation, the city manager delivered the closing address. His talk was broadcast by Station WSPD.

In addition to the *News-Bee* award for the best exhibit, the *Toledo Times* presented a handsome plaque to the city's oldest employee, the Junior Chamber of Commerce gave two scholarships to the winners of an essay contest among high school and college students on "How the City Spends Its Tax Dollar," and the *Toledo Blade* participated in the affair by printing a coupon in all editions of the paper which permitted any visitor to the exposition to ride home as its guest on any bus or trolley car. Music was

furnished at the auditorium by the WPA orchestra.

Throughout the exposition reprinted copies of the city manager's biennial report were sold to the public at cost (ten cents) by representatives of the City Manager League, which had a special edition of three thousand struck off for this purpose.

No wonder, in view of the many and varied features presented, that the formal exposition drew approximately ten thousand people, with additional thousands witnessing the fire and police exhibitions or visiting the public buildings, zoo concert, and other events.

The consensus of opinion was that

never before in the history of Toledo had the average citizen had a better opportunity to see how local government is functioning, compare the equipment and methods now in use with that of former administrations, and learn, in many cases for the first time, how many useful and little known services the city is giving its people. It is the belief of political observers that exhibitions of this character go a long way toward maintaining a desire on the part of the citizens for a continuation of the form of government which has brought these changes about.

Amazement was frequently expressed

(Continued on Page 428)

Smallest Jersey Town Votes under Manager Charter

The smallest municipality in New Jersey held an election for councilmen on July 19th, and after the twenty-second and last voter marked his ballot at 8 P.M. (total voting registration twenty-seven) all five men who ran were declared elected, by unanimous vote. The tiny municipality is Bendix, in Bergen County, formerly famous as Teterboro, whose airport was used by Lindbergh and Chamberlain, and the councilmanic election marks the first step in putting into operation the municipal manager plan, which last month was chosen—also by unanimous vote—to replace the old mayor-council form.

Bendix is also the smallest community to have the council manager form of government, nosing out such a populous place as Polk City, Florida, which, until now, has had the record with a population of 222. Bendix has thirty or thirty-five, depending on which inhabitant quotes the figures (apparently some do not consider children part of the population).

At the municipal pumphouse, sole public building of the community, where the council elections were held, both officials and voters were non-committal concerning the reason for the adoption of the manager plan of government for so small a borough (a New Jersey entity roughly corresponding to a New York village). However, there were hints from some of the more garrulous (a purely relative term) that Bendix hopes to lose its "smallest" title in the near future, with the completion of the large Bendix airplane parts factory, now in process of construction in the "heart" of town. In case of an influx of new population, the new city manager, to be appointed by the new council at its organization meeting on August 16th, will have plenty to do, for roads will have to be built, the police force (now consisting of the police chief) will have to be expanded, and other municipal functions added to the present nominal ones. In expectation of growth, the budget has already jumped from \$10,000 for 1937 to \$17,000 for 1938. At present almost all the inhabitants of Bendix, with the exception of children, hold some municipal office, in order to comply with New Jersey law, which prescribes several officers regardless of the size of the community. But the pumphouse manager is the only hired civil servant. It is to be presumed that other civil servants will join him as municipal functions increase.

Another Bendix record is concerned with the present mayor, who was elected to the new council. Mayor Edgar Hollister is over eighty years old, and has held his position continuously since 1917, when the municipality was incorporated under the name of Teterboro. This makes him the first and only mayor of the community under the old form of government.

MIRIAM ROHER

The Elimination of Township Government in Oklahoma

A constitutional amendment does away with townships by the indirect process of removing the necessary authority to levy taxes for township purposes.

L. D. MELTON

*Director, Research Division
Oklahoma Tax Commission*

THE constitution of the state of Oklahoma, while making provision for the creation of townships, also provided for the optional abolition of township government within each county by vote of the people thereof. The constitution further provided that in the event townships should be abolished in this manner, the duties of the township officers should devolve upon those county officials performing like duties.¹ So far as the writer knows this method of abolishing township government has never been employed in Oklahoma.

Upon several occasions, however, the legislature has subsequently done away with township government in various counties.² In all such cases the extent of the reform was limited merely to the elimination of township offices, the duties of the offices being transferred to the county commissioners and other county officials. The county commissioners continued to levy taxes for the carrying on of township activities so that neither the functions of township government nor the tax levies wherewith to finance those functions were affected.

These facts, together with the further

fact that the assessment function was taken from the townships in 1911, shortly after statehood, indicate that township government has never been very strongly entrenched in Oklahoma. From the beginning there apparently has been a realization that the township is an outmoded subdivision of local government.

But it was not until the worst years of the depression, when the pressure for reduction in property taxes became sufficiently great, that the opportunity came to abolish township government in fact as well as in name.

One of the directions in which this pressure for lower taxes was exerted was toward a constitutional amendment further limiting ad valorem tax rates that might be levied by local governments, and also abolishing entirely the ad valorem tax levy for state purposes. The constitution fixed the over-all limitation on rates at thirty-one and one half mills, to be divided between state, county, city or town, school district, and township governments. Of these thirty-one and one half mills, the state was limited to three and one half mills and townships were limited to not more than five mills.³

In 1933 the legislature submitted to the people the following amendment to section 9, article 10, of the constitution:

Section 9. Except as herein otherwise provided, the total taxes for all purposes, on an ad valorem basis, shall not exceed, in any taxable year, fifteen (15) mills on the dollar, to be apportioned between county, city, town, and school district, by the county excise board, until such time as the regular apportionment is otherwise provided for by the legislature.

No ad valorem tax shall be levied for

¹Constitution, art. 5, sec. 5a.

²Session Laws, 1913, chapters 183, 203, 214; S. L. 1927, ch. 107; S. L. 1929, chs. 85, 96, 113, 288, 295, 313, 316, 320, 348; S. L. 1931, ch. 36; S. L. 1933, ch. 134.

³Constitution, art. 10, sec. 9.

state purposes, nor shall any part of the proceeds of any ad valorem tax levy upon any kind of property in this state be used for state purposes; provided, however, any county of the state may make an additional ad valorem levy, not exceeding two (2) mills on the dollar valuation, on any property within the county, for separate schools for white and negro children, such aid or money raised therefor to be apportioned as provided by law; provided further, the annual ad valorem tax rate for school purposes may be increased, in any school district, by an amount not to exceed ten (10) mills on the dollar valuation, upon all property in the district, on condition that a majority of the qualified voters of such district voting at an election, vote for such increase, provided, however, that the legislature shall by proper laws prescribe the manner and method of conducting said election, but until such legislative provision is made, said levy may be made and said election held as now provided by law; and provided further, that limitations on the levy of such additional ten-mill levy may be made hereafter by the legislature.

Provided, also, an additional levy may be made each year in the state and in the various subdivisions thereof, on all personal and real property subject to ad valorem taxes, to reasonably take care of bonded and other valid indebtedness of the state and its various subdivisions existing at the time this amendment is adopted and becomes effective, but such necessary additional levy or assessment on such property to take care of such indebtedness existing and owing by the state and its subdivisions at such time shall in no event exceed levy or assessment for which such property would have been liable under the constitution and laws of the state as same existed immediately prior to the adoption of this amendment. No provision hereof shall be construed to tax churches or schools.⁴

This amendment was submitted to the people on August 15, 1933, and was

overwhelmingly adopted. It will be seen that it provides for the reduction of ad valorem taxes in three ways: (1) it abolishes the state levy of three and one half mills; it lowers the ceiling over levies by local government to fifteen mills (excepting additional levies of two mills for separate schools, and ten mills for school districts upon vote of the people of the district, which provisions were left unchanged by the amendment); and (3) in enumerating those local units which might share in the apportionment of the fifteen mills it omits township government.

Thus were townships eliminated as active subdivisions of government in Oklahoma by the indirect process of taking away the necessary authority to levy taxes for township purposes. Townships were finally put out of business in fact as well as in name by an exercise of the power of the purse.

COUNTIES GIVEN TOWNSHIP FUNCTIONS

Following the adoption of the above amendment the legislature in 1935 was obliged to enact several laws providing for the assumption by the county of functions previously performed by townships, and providing for the closing out of township government as rapidly as possible. The township general fund, road construction and maintenance fund, and the road drag fund were consolidated into a "consolidated fund."⁵ It was provided that all cash on hand in any of these funds and all future receipts should be apportioned to the consolidated fund until all outstanding warrants should be paid, after which all such moneys were to be credited to the county highway fund; but in the case of those townships (355 in number) having outstanding road bonds or other sinking fund indebtedness, any cash on hand or revenue receipts were to be credited to the town-

⁴S. L. 1933, ch. 169.

⁵S. L. 1935, ch. 36.

ship sinking fund until such indebtedness was paid.

Another statute transferred to the county commissioners the responsibility of "... enlarging, maintaining, caring for, beautifying, and landscaping those cemeteries which were, prior to August 15, 1933, owned by townships in this state and were maintained and kept by the township board of trustees or by the board of county commissioners as the governing board of the township."⁶

The chief function of townships—that of construction and maintenance of highways and bridges—was also transferred to county government.⁷ All highways in Oklahoma are now either in the state or county highway systems. At the same time all township road machinery and equipment were given to the counties.⁸

MONEY SAVED BY TAXPAYERS

This paper would probably be incomplete without a short appraisal of the effect of the abolition of townships on the cost of local government. In 1931 the cost-payments of townships in Oklahoma totaled \$3,674,000, of which \$2,442,000 went for current operating expense, \$588,000 for interest, and \$644,000 for outlays (chiefly principal payments on funded debt). Six years later, in the 1937 fiscal year, the total cost-payments of townships was \$905,220, of which sum \$454,898 was applied on interest and \$450,322 was paid on

the funded debt. This represents a reduction of \$2,768,780, of which at least \$2,442,000 may be attributed to the merging of township roads into the county highway systems.

An examination of the highway costs of county government in Oklahoma for the same years discloses an increase of \$1,444,790—from \$5,546,000 in 1931 to \$7,090,790 in 1937. It is apparent that counties were able to assume the additional load of maintaining township roads at approximately \$997,210 less expense than their maintenance formerly cost the townships. A portion of this saving was doubtless made possible by the necessity for purchasing less road machinery and equipment following the consolidation of all local road work in the county government.

On the other hand, there is no evidence that country roads in Oklahoma have deteriorated since they have become a part of the county highway systems, and the total mileage has probably increased.

The abolition of townships is the only major reform in the structure of government in Oklahoma that has resulted from the depression. Further progress might be made by a similar merging of county and state highway systems, such as has been accomplished in North Carolina and Virginia.

Possibly the indirect means employed in Oklahoma to force townships from the scene, by utilizing the pressure for lower property taxes, may be used effectively in other states to bring about desirable consolidations among governmental units in the performance of certain major functions of government.

⁶S. L. 1935, ch. 42. This apparently was the only function of township government not related to road construction and maintenance.

⁷S. L. 1935, ch. 50, art. 3.

⁸S. L. 1935, ch. 50, art. 4.

The Cities Prepare for Disaster

A MAJOR disaster has been defined as one "of such magnitude as cannot be met by the regularly constituted local agencies."

Planning for disaster is not a pleasant thought, but experience has taught us that it is just as necessary, in the interest of the general welfare, to arm against an invasion by the forces of nature as one by the forces of another people. Unfortunately, such arming has usually required the actual impact of a major disaster, with its resultant loss of life and property, to render a people conscious of the necessity of such planned protection.

A major disaster might strike in the form of a flood, an earthquake, a hurricane, a fire, or an epidemic. If of sufficient intensity it matters not in what form it strikes: the net results of unplanned protection are panic, unnecessary loss of life and property, disruption of essential services, and uncoordinated efforts in the protection of life and property and in rehabilitation and relief.

The establishment of numerous major disaster emergency organizations throughout the country reflects the growing concern over the development of some planned preparedness and a recognition of its necessity. This is especially true of those sections and localities which have suffered in the past from disaster in one form or another or which are, by the very nature of their geographical location, vulnerable to nature's disturbances.

Such planned preparedness as incorporated in a disaster code has been defined as "an instrument of authority upon which public officials may proceed promptly in any emergency. It should be clear in its lines of authority and cover every conceivable service which may be required to protect peo-

By HARRY R. BETTERS

United States Conference of Mayors

To arm against invasion by the forces of nature is as important as to arm against invasion by the forces of another people.

ple and property and to meet contingencies which arise in every disaster."

The limitations in a short account of emergency disaster plans is adequately stated by the director of coördination of the Los Angeles Major Disaster Emergency Council, who says: "It must be remembered what the . . . emergency council is. It is all the departments of the city government, the American Red Cross, our public utilities, privately-owned corporations, our contractors, supply houses, our hospitals, physicians and surgeons, etc. In fact, all in the community who are expected to act in time of disaster have brought themselves together and formed a major disaster emergency council; a place where they have been able to formulate plans and correlate their efforts. Therefore it can be readily understood how impossible any single report could be made to cover all the activities of the emergency council."

Basically all plans are the same, recognizing in the first instance the prime need of a centralized administrative authority to assume responsibility in the direction and coördination of all activity in times of emergency, and secondly, the division under this authority of two major functions: (1) the protection of life and property and the preservation of order which is the responsibility of government, and (2) provisions for rehabilitation and relief in the form of food, shelter, clothing, and medical care—the latter, logically, with

the coöperation of and under the immediate direction of the American Red Cross.

Around these two main functions is constructed the various major disaster emergency plans, any one of which represents a tremendous amount of planning and organization of personnel and resources.

In its "Guide Material for Field Representatives Visiting Flood Hazard Counties," the American Red Cross has listed the respective duties and responsibilities of the government and the Red Cross in times of disaster. They are as follows:

Red Cross Responsibility

1. Supply emergency necessities of life
 - a. Food
 - b. Clothing
 - c. Shelter
 - d. Medical aid
 - e. Rescue and first aid
2. Collateral services
 - a. Survey
 - b. Transportation
 - c. Communication
 - d. Public information
 - e. Registration and welfare inquiries
3. Rehabilitation of Families
 - a. Maintenance of families
 - b. Building and repair of homes
 - c. Household furnishings
 - d. Hospitalization
 - e. Nursing
 - f. Farm supplies, livestock, and equipment
 - g. Occupational training, equipment, and supplies

Government Responsibility

1. Protect persons and property
 - a. Maintenance of law and order
 - b. Prevention of looting
 - c. Public health and sanitation
 - d. Care of the dead (coroner)
 - e. Enforced evacuation

2. Collateral services
 - a. Survey
 - b. Transportation
 - c. Communication
 - d. Publicity
 - e. Salvage of unclaimed property
 - f. Inspection of buildings for safety
3. Restoration and Replacement of Public Property
 - a. Public buildings
 - b. Sewer system
 - c. Water system
 - d. Streets and highways
 - e. Other public projects
 - f. Cleaning debris off streets and public property

The lines of demarcation are clear and any plan to be successful in providing the maximum relief with a minimum of time, effort, and expenditure must be developed along these lines.

Governmental functions in times of emergency are essentially normal functions expanded.

Because of its established national program the American Red Cross is the recognized official relief agency. The responsibility placed upon it by Congress is a charter mandate "to continue and carry on a system of national and international relief in time of peace and to apply same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities, and to devise and carry on measures for preventing the same."

As a groundwork for any emergency plan many surveys of a varied nature are necessary.

Food isn't of much value unless one knows where it is; nor are any of the necessities of life. Emergencies require an unusual distribution of all commodities. For that reason the sources and location of every kind of basic need must be determined. The enormity of this job is immediately apparent. Un-

der the Red Cross, the Necessities of Life Committee in the Los Angeles plan has a complete list of stored supplies and their location. This list is complete and up-to-date. It includes all food, clothing, bedding, cooking and serving equipment in Southern California in addition to the larger stores of San Francisco. A knowledge of the sources of medical supplies and hospital facilities, together with the personnel to administer them, is also essential.

The fire department must be pre-informed of the location of all reserve water supplies such as wells, cisterns, swimming pools, and tanks. The location of all explosives must be known in order that all necessary caution may be exercised and to facilitate its use for purposes of emergency demolition.

The agency concerned with the maintenance of law and order must especially have information relative to personnel reinforcements. This function requires the highest degree of co-operation between the local police department and such outside agencies as the army and navy, the national guard, the ROTC, and the veterans' groups. The personnel of these groups are all a natural adjunct to the local police force.

Surveys are made to determine all available housing and refugee facilities including public and private buildings, schools, churches, and open areas that can be safely utilized.

This and a wealth of other information constitutes the very life blood of any disaster emergency plan. Some have been worked out and developed in more detail than others but all are basically the same.

In the San Diego plan, worked out by City Manager Flack, a survey of all important buildings was made. This covered schools, stores and office buildings, apartments, churches, hospitals, theatres, and public dance halls. They were rated in five groups according to

fire resisting qualities. Any form of total or partial collapse involves the hazard of fire. With the aid of this rating officials have a basis on which to predict those areas and sections which would be likely to require unusual aid, and consequently, in event of a major disaster, would enable a rapid concentration of forces at these points.

CALIFORNIA CITIES MAKE DETAILED PLANS

The Pacific coast area has proven most fertile in the development of disaster preparedness plans. The present Los Angeles plan grew out of a movement initiated in 1924-25 resulting in the organization of the Citizens Preparedness Committee in 1926 and the adoption in 1933 of the plan creating the present Major Disaster Emergency Council. Both Pasadena and Berkeley adopted plans in 1927 and the proposed San Francisco set-up was a revision of a series of conferences since completion of the Commonwealth plan of 1928.

Adoption of the present Los Angeles plan, by act of council, clothed the organization with a legal status not enjoyed by the previous Citizens Preparedness Committee. Its present existence is a tribute to the untiring efforts and sacrifices of city officials, civic-minded organizations, and individuals. Embracing all departments of the city government, the American Red Cross, American Legion, numerous civic organizations, and utilities, it represents a coördinated force of man power and resources capable of immediate and effective action in times of emergency.

The mayor, as chairman of the executive committee, is vested with authority to declare the existence of an emergency and to order a general or partial mobilization of the emergency council. The council comprises the officers and personnel of the following fourteen specialized divisions: law and order, water,

fire, medical, streets, intelligence, transportation, personnel, communication, necessities of life, shelter, rehabilitation, and finance; the last five named are under the immediate supervision of the chairman of the Los Angeles chapter of the American Red Cross. Those divisions comprising the regular departments of the city government are immediately suggested by their titles.

The only salaried position provided for on the executive committee is the chairman of the intelligence division (director of coördination). He devotes his full time to the emergency council, keeping in constant touch with all members, conducting periodic mobilization tests and drills, and keeping all records and data up to date.

The personnel division is under the American Legion and veterans groups. On June 7th of this year the American Legion of Los Angeles City and County participated in a state-wide mobilization as a test for the personnel committee. In Los Angeles County alone about twelve thousand legionnaires were mobilized within three hours. When co-ordinated with the transportation and communication units it is apparent what an effectively mobile force this group could be.

The transportation unit is headed by the president of one of the local railway companies and coördinates the facilities of all the railroads, street-car companies, busses, taxicabs, aeroplanes and pilots, trucks, and steamship companies.

The communication unit likewise co-ordinates the facilities of all telephone, telegraph, radio, and messenger services, and constitutes one of the most important units in the organization as the speed with which information can be received at and disseminated from the general headquarters is essential to the success of the entire program.

Although never fully tested, the

Major Disaster Emergency Council went into action during the floods of last March. To quote from a statement by the director of coördination, "practically all members of the executive committee reported either in person or by telephone, and stated that they were in constant touch with the members of their subcommittee and that the entire emergency set-up was standing by; that we might use all or any part of it as the need required."

Naturally weaknesses, now being corrected, were discovered, but the value of planning and organization had proven its worth. Reserve forces were secured promptly, outside facilities located quickly, supplies of food, clothing, and bedding were made immediately available and previously planned concentration or refugee camps were more than adequate to cope with the needs of the situation.

Additional California cities where preparedness plans have been established or are being developed include Riverside, San Bernardino, Santa Monica, Redondo, Manhattan Beach, Hermosa Beach, Long Beach, Alhambra, Burbank, and Oakland.

CITY MANAGER GIVEN AUTHORITY TO ACT

Recognizing the desirability of a high degree of flexibility in any plan of this nature, the Pasadena disaster plan provides that: "When, in the opinion of the city manager, any provision of the disaster preparedness plan herein contained shall be insufficient to meet any phase of the emergency it shall be his duty to dispose the forces at his command, in such manner, regardless of the provisions herein contained, that, in his opinion, will best serve the public need. . . ." This does not authorize a violation of federal, state, or local law. It does, however, clearly establish the authority necessary to meet the unpredictable aspects of any disaster.

The Pasadena plan provides for the declaration of the existence of an emergency to be made in the first instance by the board of directors, if it is in session, and if not by the city manager. If declared by the latter such declaration must be confirmed at the earliest possible time by a proclamation of the board of directors. The Los Angeles plan provides for a declaration to be made at the discretion of the mayor, the Berkeley plan in the first instance by the city manager.

FLOODS MENACE HARTFORD

Hartford, located in the Connecticut River valley, sustains a loss from floods of greater or less intensity in the spring and fall of each year.

The Hartford Disaster Emergency Committee was authorized by the Court of Common Council in March 1937. The mayor acts as chairman of the committee. The local Chamber of Commerce acts as secretary to the committee and as the agency through which information is collected and disseminated. Organization was made along lines which would afford the greatest of mutual coöperation and assistance between the local government and the American Red Cross.

Because of the constant recurrence of flood conditions in the Connecticut River valley the Hartford plan is greatly dependent on and operates in close coöperation with the Hartford office of the United States Weather Bureau. Flood data and bulletins issued by the bureau are distributed locally by the Hartford Official Flood Data Bureau under the control, direction, and operation of the mayor.

Similar to other set-ups the Hartford plan provides for the emergency or-

ganization of regular city departments on the one hand and that of civilian responsibility under the Red Cross on the other, with provision for the utilization of voluntary or supplementary aid wherever needed.

Pittsburgh, recently ravaged by flood waters, is considering a law authorizing the establishment of an emergency committee. Preliminary organization studies are being carried on at the present time.

In connection with local disaster emergency committees it might be well to stress the importance of the participation of state and federal agencies.

Disasters are not prone to respect geographical or political boundaries. Hardly ever does one occur, of any magnitude at all, whose repercussions are not felt nationally in one way or another.

In view of the active participation of such federal agencies as the army and navy, the coast guard, the United States Health Service, the CCC, etc., in disaster aid it would seem highly proper to propose the establishment of a permanent federal major disaster emergency committee, to function in the same manner and in close coöperation with local committees, to assemble disaster preparedness data on a national scale, and to coördinate the personnel and facilities of all federal agencies concerned with disaster relief.

Further, it is desirable that emergency committees both locally and nationally be encouraged and perpetuated. In spite of every preventive measure adopted we are never justified in believing ourselves immune to disasters. We shall always have them in some degree—we should be prepared.

Greenbelt, Maryland:

A Federally Planned Community¹

New "garden city" off to a good start. Manager charter now in operation with constructive citizen activity behind it.

By CEDRIC LARSON
Library of Congress

THE history of Greenbelt, Maryland, goes back to April 30, 1935, when the President, by authority of the emergency relief act of 1935, established the Resettlement Administration. The primary purpose of the Resettlement Administration was to relieve distress in the rural regions of America at a time when about 1,500,000 farmers were on relief. Its field of endeavor fell into four main categories: land utilization, rural rehabilitation, rural resettlement, and suburban resettlement.

The division of suburban resettlement had as its major function the planning and construction of three suburban areas adjacent to congested metropolitan centers to demonstrate the practicability of scientific town planning, wise use of land, and mass production of dwelling units. Funds for building these towns were allotted under the works program.

The three towns were to be known as "greenbelt" communities because they were to be surrounded by a wide girdle of forest, park, and farm lands on their entire periphery to shut off encroachments of all types. About one hundred major cities were studied in detail from the standpoint of steady

growth, sound economic basis, adequate wage levels, and housing needs. Washington, D. C., Cincinnati, and Milwaukee were at length selected as those which most satisfactorily met the criteria laid down. The community adjacent to Washington was to be known as Greenbelt, that near Cincinnati as Greenhills, and the one outside of Milwaukee as Greendale. The present study is concerned only with the Greenbelt, Maryland, project, which is far in advance of the others in completion. The builders of Greenbelt have been in a sense trail-blazers for there were no previous patterns of low-cost greenbelt towns in America.²

Greenbelt is located about thirteen miles from the heart of Washington, lying northeast of the District, about two and a half miles from the Washington-Baltimore superhighway.

Immediately on its creation, the Resettlement Administration went forward with the acquisition of the land for the new venture and shortly obtained from private owners some 176 parcels of land, representing a total acreage of 12,259 at an aggregate cost of \$1,124,480, an average of about \$91.73 per acre. Farms purchased were for the most part submarginal land which lay toward the

¹Acknowledgment is due Roy S. Braden, town manager at Greenbelt, Maryland, for his cooperation in the preparation of this study.

²Perhaps the nearest approach to greenbelt towns prior to the creation of Greenbelt, Greenhills, and Greendale were the so-called "garden cities" of England, such as Letchworth and Welwyn, examples of what the English term "city building." The garden city was conceived by an Englishman, Ebenezer Howard, shortly before the turn of the century. The two above-named cities, in which are interblended country and city life, have been operating successfully in England for a score of years for low-income groups. The first "garden town" in America, Radburn, New Jersey, carried out many of Howard's principles.

northeast of the District of Columbia.

The site, however, has many compensating values to offer in lieu of richness of the land. The transportation facilities are good; the topography offers good building sites and natural park areas; it lies out of the line of march of the expensive suburban development of Washington which seems to follow a northwesterly direction; and the proximity of the Greenbelt demonstration to the National Agricultural Research Center affords protection along one-third of the project's periphery.

As for the 12,259 acres comprising the Greenbelt demonstration, it was recommended that 8,659 acres be put under the jurisdiction of bureaus within the Department of Agriculture, leaving 3,600 acres for Greenbelt development. Of these 3,600 acres, 967 were to be set aside for the social and economic needs of the community as follows:

217 acres of good buildable land for dwelling units and community facilities

500 acres adjacent to community reserved for future expansion

250 acres lying in a valley-like area enclosed in the town's crescent shape for recreation.

The following use will be made of the remaining 2,633 acres:

157 acres devoted to small farm units

276 acres assigned as pasturage for town dairy

400 acres set aside for woodland and forest

80 acres of wasted land to be reforested

107 acres for allotment gardens

1,593 acres to form the outer greenbelt and for recreational use

20 acres for community school purposes.

The high elevation on which the community is erected has a natural

horseshoe formation, the open end of which faces the southwest, the point of the prevailing breeze in summertime when this region is generally visited by severe heat.

Work on the project was undertaken in October 1935, after careful planning by housing experts.³ The Greenbelt project was essentially a work relief job, since the relief act was the reservoir from which funds came to build the town. It was therefore necessary to plan the construction of Greenbelt in terms of human need rather than in terms of efficiency. Generally speaking, relief labor was found to be about 20 per cent substandard. The project absorbed all on the relief rolls and many of the unemployed from four Maryland counties—Prince Georges (in which the project is located), Anne Arundel, Montgomery, and Howard.

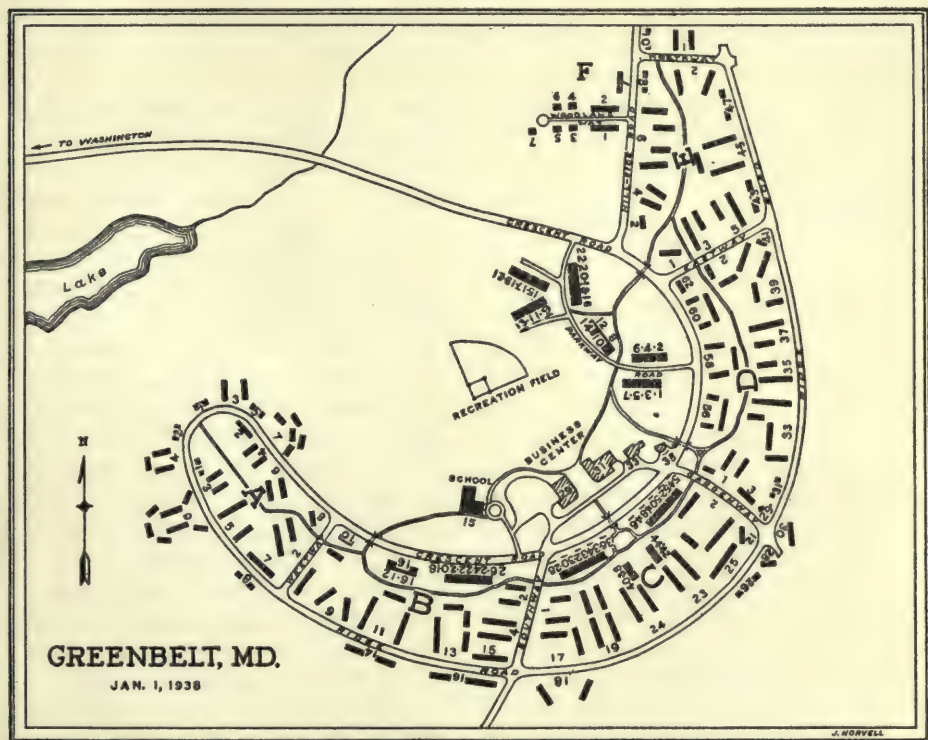
The town was under construction for about twenty-three months and the entire project will total about \$14,000,000.

HOUSES AND TOWN PLAN

The plans for Greenbelt looked ahead to providing housing facilities for some three thousand families. The first third of this program only is comprehended in the present housing construction, although the basic utilities, streets, and other improvements have been planned for three thousand units (or twelve thousand people).

The basic areas for Greenbelt community are known as "superblocks," which vary in size from fifteen to twenty acres, each containing ninety to one hundred and twenty homes. This

³The persons actively responsible for the physical construction and planning of Greenbelt were John S. Lansill, assistant administrator of the Resettlement Administration and director of the Division of Suburban Resettlement; Wallace Richards, executive officer in charge; Hale Walker, town planner; Reginald J. Wadsworth and Douglas D. Ellington, principal architects; Harold Bursley, engineering designer.



neighborhood unit, or superblock, differs from the traditional city block in that the pleasure sides of the homes face the parks and the service sides face the street. At present there are five such superblocks, A, B, C, D, and E.

No sidewalks parallel the service roads or streets, but circulate through the play areas, and pedestrian underpasses (costing about \$5,000 each) at intersections reduce traffic hazards to a minimum.

The grouping of the houses was decided by a variety of factors, such as tree location, slope of the land, orientation to gain the maximum prevailing breezes, avoidance of monotony, but especially by the savings afforded by the superblock pattern in service roads, sidewalks, and utilities.

The superblock renders a density of about seven families per acre, giving the row house dwellers a freedom much

greater than the average community of single houses.

Present plans call for some 306 apartment units and 646 row dwelling units, and there are to be about fifty small farm units.

Two main types of houses were erected. The first is the brick veneer with pitched roof, while the second is the cinderblock with flat roof. Dwelling units vary in size from one-, two-, and three-room accommodations in multi-family buildings to three, four, five, and six rooms in the row units. The average unit has four and a quarter rooms. All the houses are well insulated.

A word or two might be said for individual costs per dwelling unit. Although some \$14,000,000 is being spent on Greenbelt proper, an equitable amount charged to the community proper should not run above

\$10,000,000 at the outside. This would seem to indicate a per dwelling unit investment of \$10,000. However, since the outlay looked for three thousand dwelling units eventually, the future erection of two thousand more dwelling units would reduce the per dwelling unit average at present perhaps by one-half.

UTILITIES AND PUBLIC BUILDINGS

The community has been provided with sewage mains and disposal plant, water tower and standpipe, water mains, an electric distribution system, oil storage supply tanks, parks and playgrounds, athletic facilities for a variety of sports, business center buildings, an elementary school and community center, and a high school. The grade school is a community-center school, and serves as the focal point of all types of civic activities from church services to recreational programs. It was built at a cost of about \$500,000 and is designed to accommodate 750 pupils. The high school is situated at a corner of the project so as to service families living outside of the Greenbelt demonstration but within the high school district. Designed to accommodate 350 pupils, it was begun in the spring of 1937 and completed ten months later at a cost of \$142,000. It was built by the federal government through a private contractor.

The source of the water supply of Greenbelt is the Washington Suburban Sanitary Commission, a quasi-public, non-profit organization designed to serve the area in Maryland which contains the Greenbelt region. Water services are metered, with an average monthly cost per family of \$1.25. The annual community cost for water is estimated around \$15,000.

Electric power is furnished by the Potomac Electric Power Company which services the District of Columbia.

An agreement was reached between the Resettlement Administration and the power company putting the electrical power on a basis equivalent to a commercial enterprise. The monthly consumption is about two hundred kilowatts for an average family, costing \$4.00 for all purposes (cooking, refrigeration, light, radio, etc.). The total community electric bill will be about \$48,000 per annum.

Each row of houses as well as each apartment has an oil burner, which provides heat and also hot water. Each group of dwellings has its own oil storage tank connected by pipe-line to the garage compound. The community owns storage tanks and distributing trucks, buying oil in tank car lots delivered to the railroad siding. The cost of heating all units amounts to about \$42.00 per year per family which is included in rentals.

This brings the annual community bill for electricity, water, and heat to about \$105,462 or an average monthly utility cost per family of \$8.75.

RENTALS AND TENANTS

The problem of rentals was a fundamental one at Greenbelt. To start with, it was felt that as a sort of guiding principle, rentals should never exceed one-fourth of the total income of the tenant.

Since the Greenbelt project was designed for the low-income group it was necessary to set a fixed upper and lower limit of annual wages for those eligible to come into the project. These extremes were set at \$1,200 and \$2,400 respectively. Permissible income ranges are fixed for families of varying size, for instance, a family of two would be eligible if its income were between \$1,200 and \$1,600, while a family of six would be eligible only if its income were between \$1,800 and \$2,400. The actual rent range is from \$18.00

to \$41.00 per month, the median rental being \$31.23, which includes heating of the dwelling unit and heating of water. (Electricity and water are metered services and billed accordingly.) The houses which rent for \$39 to \$41 have seven rooms.

By the end of September 1937, the town was ready for occupancy in certain rows of dwellings. The family selection committee had some 12,000 applications on file from which selections were made.

Tenants were chosen from the area of metropolitan Washington, which includes the District of Columbia, Alexandria City, Arlington County, and a portion of Fairfax County, in Virginia, and Prince Georges County and Montgomery County in Maryland. The percentage of federal employees admitted was to correspond roughly to the percentage of government workers in the metropolitan region of Washington. Negroes were not admitted as residents, since they have their own low-cost housing project in Northeast Washington, in an area within the District, called Langston Terraces.

The "first resettlers" moved to the project September 30, 1937, and have come in a steady stream ever since until at this writing there are about 650 families.

Greenbelt is a community of young people as the average adult age is about thirty-one years.

MANAGER CHARTER GRANTED

In April 1937, in anticipation of the formal opening of the community, the Maryland legislature passed an act which instituted Greenbelt as the initial incorporated municipality in that state with the city manager form of government. Under the terms of the charter, residents are citizens of the town and of the county of Prince Georges and the state of Maryland.

They will be governed by the same rules governing voting privileges as exist for the state of Maryland as a whole.

The charter contains some points worth noting. By and large, the Greenbelt city manager plan is the same as that already in effect in nearly five hundred cities and towns throughout the United States today. There is a clear separation of legislative and executive functions. The voters elect a council of five members which appoints, and has power to remove, a city manager who is charged with responsibility for the execution of policies established by the council. The council also selects one of its own members as mayor who serves as the titular head of the town.

Councilmen may not interfere in the appointment or removal of any officer or employee of the town government. Such attempts are misdemeanors. No councilman during his term of office can be appointed to any office or position in the town government. No employee of the town can continue in such capacity after becoming a candidate for nomination or election to public office.

The town manager maintains full control over the appointment of municipal employees and may remove such employees at his discretion. The manager, under the terms of the charter, may also act as housing manager.

From twelve nominees, five members of the first council were elected on November 23, 1937, in a no-pledge, nonpartisan campaign. Those who had lived in Greenbelt as of November 13th were eligible to vote if citizens, and out of 290 eligibles, 276 cast ballots.

At its first official meeting on November 29th the council elected Louis Bessemer as mayor and Roy S. Braden, community manager of the Farm Security Administration, was appointed town manager. The council has set up committees from time to time to study various problems which have arisen.

So far, the problem of crime and courts has been virtually non-existent.

FINANCES

The first council has had the problem of adjustment of financial details between the Farm Security Administration (successor to the Resettlement Administration) and the municipal government. Due to the peculiar property situation, wherein the federal government owns the land, the bulk of the town funds is obtained by petitioning the FSA for funds "in lieu of taxation."

When the federal government entered the housing field the matter of taxation presented a very complicated question. Broadly speaking, this has been solved by a process known as "federal payments in lieu" of taxes. That is to say, since a local or state government cannot tax property of the United States, federal authorities, in coöperation with local authorities, work out some form of equitable scheme wherein is calculated the rate the housing development would probably pay if it were in the hands of private taxpayers, and a sum of money equivalent to this amount is paid by the federal government to the local and state treasuries in lieu of the customary tax levy. The federal government of course gets the moneys for such disbursements from the rents and revenues collected from such projects.⁴

A space of some years will probably elapse before the tax rate—so called—can be forecast with scientific accuracy, that is to say, until Greenbelt becomes a more or less stable community. However, early costs were estimated as follows: municipal, \$45,000—to raise this revenue it would be necessary to have

an assessed valuation of \$4,500,000 with a rate of \$1.00 per \$100 valuation; county government, \$56,250—the prevailing rate in Prince Georges County is \$1.25 per \$100 assessed valuation as above; state government, \$9,900—to be raised by a rate of \$.22 on the \$100 valuation (state prevailing rate of taxation) at the assessment set forth under the above-listed municipal valuation. This would involve a total taxation of some \$111,150 or a rate of about \$2.47 on the \$100 valuation. This figure excludes taxation on commercial developments but this could be met by taxing the income from these sources.

Council adopted the following municipal budget for the fiscal year 1938:

Administration (council, city manager, treasurer, etc.)	\$7,100
Department of Public Safety	11,200
Department of Health	4,800
Department of Public Works	20,560
Department of Sanitation	15,210
Miscellaneous (5 per cent of all expenditures)	2,943
Total	\$61,813

This budget, of course, is for the limited number of persons now occupying the community and may be expected to grow as the population of the town increases.

Greenbelt's town government is not yet a year old and it will undoubtedly be refined and changed in detail as the city grows in population and age. Present municipal services provide for auditing and control of accounts, police and fire departments, garbage collection and disposal, operation of sewage system and disposal plant, street lighting, and the construction and maintenance of roads.

CIVIC ACTIVITIES

Some of the high lights and chief societies founded may be touched upon. These are significant factors in tracing the growth of the city from "scratch."

⁴For a detailed discussion of this whole problem see Leo Day Woodworth, "Federal Payments in Lieu," *Bulletin of the National Tax Association*, XXII, no. 4 (Jan. 1937), 115-120.

On November 9, 1937, Greenbelt citizens met for the first time, a gathering out of which ultimately grew the Greenbelt Citizens' Association. The by-laws of this association state that the "object shall be to promote efficiency in the Greenbelt government, education in citizenship, needed legislation, and to provide for the general welfare of the residents of Greenbelt." Any adult of Greenbelt is eligible for membership upon payment of a small sum for annual dues. Officers are elected by a system of preferential voting. The association meets monthly and functions largely as a town meeting.

The coöperative movement has been strongly stressed in Greenbelt. In August 1937 the Consumer Distribution Corporation, founded by the late Edward A. Filene, leased from the government the business center of the community, with the stipulation that it would eventually assign the lease and hand over ownership of the established businesses to a coöperative. Prior to this time all earnings over expenses were to be returned to the residents or held in trust for the coöperative when instituted. In May of this year a coöperative organizing committee of Greenbelt citizens was actively engaged in studying the problem of taking over the coöperative from the Filene corporation. Estimates placed the community patronage of the store at between 55 per cent and 60 per cent of all money spent by Greenbelt families for groceries.

Both the elementary school and the high school have school coöperatives in which enterprises all the students participate.

A number of well attended, weekly civic forums were held during the past winter, with nationally known speakers on current topics. Two mothers' clubs were founded, one the School-Age Mothers and the other the Pre-School-Age Mothers' Club, which coöperate

with one another and with the school teachers in their respective programs.

The Greenbelt Journalistic Club, formed early in November 1937, sponsored a weekly mimeographed news-sheet service called the *Greenbelt Coöperator*, which appears weekly.

In November 1937 the World War veterans residing in Greenbelt got together and organized a local post of the American Legion which has been active in community affairs.

Numerous other organizations attest the high degree of cultural life in Greenbelt: a ladies' bridge club, a camera club, an athletic club for men and women, a parent-teachers' association, a hobby club, a dramatic society, and similar organizations.

Church services were first held in Greenbelt on November 14th in the assembly room of the elementary school. The Committee on Comity of the Washington Federation of Churches has assisted in supplying a pastor for every Sunday. A full-time minister has been secured starting with last June and residents look forward to the erection of an interdenominational community church.

A Greenbelt Federal Credit Union was established on December 22, 1937, with twenty-seven charter members. By the middle of April 1938 its capital totalled about \$3,000 and it had made forty-seven loans. A loan of \$50 may be obtained without collateral or co-signers and the rate of interest is 1 per cent per month, or 12 per cent per annum.

The problem of community health has been a very perplexing and urgent one. In January of this year, citizens voted unanimously in favor of a plan for coöperative medicine. A committee of seven was ultimately chosen to study the matter and make recommendations. A group health plan was at length decided upon which would bring

a full-time doctor to the community. The Greenbelt Health Association started functioning April 1, 1938, with the opening of a health center. About 150 residents are members of the association; the membership fee is \$5.00, with monthly dues of \$1.50 for an individual and \$2.00 for a man and wife and up to three children under eighteen years of age. The association secured a doctor who now resides in the community and whose services are available to members and to non-members.

In January there was undertaken a private development on the Greenbelt properties known as Parkbelt Homes, Inc., a limited dividend corporation, conceived and developed by General Houses, Inc., of Chicago, a home development company selling prefabricated houses. This corporation leased a small portion of land for ninety-eight years from the Farm Security Administration in the woodland area of Greenbelt adjacent to the fifth and last superblock. Parkbelt Homes is described as "essentially a small exclusive cooperative" which offered certain financial and management advantages to ten selected families. The homes are individual units designed to be sold for about \$5,500 with a small down payment and amortization of the balance over a long period of years. No income restrictions are placed on the occupants, who enjoy all the privileges of Greenbelt citizens.

The transportation problem at Greenbelt has been an important one. Bus service was commenced during the winter of 1938, but trips were made at a loss due to lack of patronage. The Capital Transit Company which operates the busses found the cost of a round trip to Washington from Greenbelt was \$5.00. A weekly commutation ticket can be secured for \$1.75 which is good for all transportation within the District of Columbia on CTC busses and street cars as well as to and

from Greenbelt. The CTC demanded a minimum of 6 per cent per annum return on its investment, along with an annual 14.2 per cent reserve for depreciation. Under its contract with the CTC the Farm Security Administration must make good the losses entailed in bus operation. This loss in April was about \$800, which the FSA was obliged to pay, and money for the purpose was diverted from library, recreational, and adult educational programs. It is hoped that eventually, as the town fills up and there are more passengers, the bus service will pay for itself and show a profit.

Just what the future of Greenbelt will be is somewhat in the province of conjecture. Unless unforeseen events interfere, the present town of about one thousand units should enjoy a steady and prosperous growth. Whether or not two thousand additional dwelling units will be erected is dependent entirely upon the will of Congress. If the present Greenbelt demonstration project proves a success, probably the additional dwelling units will become a reality within a decade and the Greenbelt of 1948 will show a population of 15,000 or 20,000. As explained at the outset of this study, the federal government controls some 25,000 acres in this area with ample room to develop two or three additional cells of about three thousand units each with plenty of space for park, playground, and other facilities. If centralization of government in Washington during the next twenty years keeps pace with the last twenty, it will mean a tremendous suburban expansion for the metropolitan area of Washington, and perhaps the greater Greenbelt of 1960 will have a population of 50,000. With such a construction program there would scarcely be any relief or unemployment problem in the neighboring Maryland counties for years to come.

The P. R. Elections in Ireland

By JOHN H. HUMPHREYS

*Secretary of the British Proportional
Representation Society*

*"Ye'd wonder what's wrong
wid the nation!*

*The way the elections was
done*

*Was proportional reprisinta-
tion—*

*An' in consiquince iverywan
won."*

—Punch

THE Irish general election held under proportional representation has given the following result for the contested seats:

Party	Votes	Seats	Votes per Seat
Fianna Fail	668,000	72	9,300
Fine Gael	428,000	43	9,900
Labour	129,000	9	14,300
Independents	61,000	7	8,700

Mr. de Valera's party polled a majority of the votes and secured a majority of the seats, one seat for every 9,300 votes. Mr. Cosgrave's party, though defeated, will have a full share of representation, with one seat for every 9,900 votes. Labour contested many areas, but only in nine areas did its candidates poll the proportion of votes requisite to win a seat. The leaders of all three parties were returned.

The invalid ballot papers numbered 1.25 per cent of the whole. The country was divided into constituencies electing from three to seven members each, with about 10,000 voters per member. The average time taken for the count was about two days.

What would have happened without P.R.? Labour would have lost all representation; perhaps one independent might have been returned; Fine Gael would possibly have been so reduced in numbers as to be an ineffective

force; Mr. Cosgrave might have been defeated.

The difference in result between P.R. and the British system may be well illustrated by comparing the west of Ireland, where Mr. de Valera has a majority in every county, with the south of England, where the Conservatives have a majority in every county. The figures for contested seats in the seven counties from Donegal to Kerry (Donegal, Galway, Leitrim, Sligo, Clare, Limerick, Kerry) were:

Party	Votes	Seats
Fianna Fail	182,030	20
Fine Gael	89,204	9
Labour	23,442	1
Independents	13,371	2

In no county did the majority monopolize representation. The Cosgrave minority elected a representative in each. There were only two independent candidates, Mr. Burke, a farmer in Clare, and Major Myles, representing the old Unionists in Donegal. Both were elected, for each of these minorities had a substantial backing. In Limerick the Labour minority was strong enough to elect its representative.

In southern England (the eleven counties south of the Thames and Severn) the single-member constituency system gave the following result:

Party	Votes	Seats
Government	2,068,323	77
Labour	836,573	0
Liberal	320,307	2

The British system if applied in Eire would have given a grossly unfair result there also.

AN INFLUENCE ON IRISH HISTORY

Fairness in representation has left its mark on the history of Eire. It was first applied in 1922 after the signing of the treaty. There was intense bitterness, intimidation, the first mutterings of civil war. The use of P.R. had impor-

tant consequences. The right to express preferences between pro-treaty and anti-treaty candidates enabled the electors to defeat the interparty pact for a controlled election. The preferences showed a two-to-one majority for the treaty. This provided the requisite authority for the constructive work of the Cosgrave government, which lasted ten years. But P.R. gave fair representation to the defeated party, and Mr. de Valera has steadily gained in popular support, until he now commands a majority. In this election, as in the first, P.R. has given fair representation to the defeated party, this time that of Mr. Cosgrave. Under P.R. Eire has progressed from civil war arising out

of Anglo-Irish relations to an Anglo-Irish agreement endorsed by all parties.

Ireland, in its steady use of P.R., has made a valuable contribution to the art of democratic government. Will Ireland make a further contribution? Mr. Lemass, a member of the government, said, after being elected, "the interests of the country demand that the Dail should become a real council of public representatives working for the common weal"; and there has been increasing talk in Ireland of coöperation in the tasks of government. To pass from civil war to coöperation in national government would be a great step, and a beacon-light for countries in Europe where civil war exists or threatens.

Some Irish Comments on P. R.

MR. DE VALERA in his campaign emphasized what he considered the importance of a good working majority for one party, which he thought might be difficult to obtain under P. R., as the last two elections had given his party a bare half of the members. He expressed his dislike for coalition government and said that if the proportional representation of all parties made such a government necessary, he might think it necessary to submit a change in election methods to the electorate. His attitude toward P. R. in case this problem did not arise—as it did not—is indicated in the following quotations.

Report of campaign speech at Clones by Prime Minister Eamon de Valera in the *Irish Times* of May 30, 1938: "He had always supported the principle of P. R. and would continue to support it until it proved to be unworkable."

Report of campaign speech at Rathluirc by Mr. de Valera, *Irish Press*, June 6, 1938: "My attitude toward P. R. ought to be pretty well known. As leader of Sinn Fein at the time it

was first introduced I said that, although it was introduced as a weapon against Sinn Fein, we welcomed it and were very anxious that no section should be prevented from having representation."

"There was nothing driving him towards ending P. R., as far as his principles and feelings are concerned, but good sound government was more important than all that, and if it should happen that P. R. proves in the long run to be destructive of stable and sound government then the people will have to consider which they think best. If it should happen that sound government is not possible with P. R., the people will have to seriously consider how they are going to make sound government consistent with P. R. or else get rid of P. R."

MR. COSGRAVE

The election manifesto of Fine Gael appealed for help "to see that proportional representation is not abolished to make way for a party dictatorship."

Former Prime Minister William Cos-

grave, leader of Fine Gael, in a campaign speech at Dunmanway reported in the *Irish Times* of June 4, 1938: "We had a constitution in this country which lasted about fifteen years. One of the things in it, on which there was general agreement between the parties, was that the system of parliamentary representation should be by proportional representation. That is in the new constitution."

Mr. Cosgrave in a campaign speech at Tipperary as reported in *Cork Examiner*, June 7, 1938: "Fine Gael, which had stood for proportional representation for the best part of twenty years, would continue to stand for it."

LABOR

Manifesto of the Irish Labor Party, *Irish Press*, June 7, 1938: "The Labour party believe that proportional representation is an eminently fair method of selecting the members of the Dail and of other public bodies and will strive to preserve it."

EDITORIALS

Irish Times, Editorial, June 3, 1938: "P. R. has been a success ever since the twenty-six counties became an independent state. It is true that no single party, since Fianna Fail entered Dail Eireann in 1927, has enjoyed a commanding majority, but the country's administration has been none the worse on that account.

"Proportional representation has been Southern Ireland's answer to all hostile criticism during sixteen years. As a result of it minorities have obtained seats in Parliament which they would not have had a hope of obtaining under the block vote system. That fact alone contributed greatly to the excellent impression which the Irish Free State made upon the world during its early years; it served to reassure thousands of Irish people—who might have feared victimization—of their new rulers' good

intentions; it has redounded almost beyond measure, as we believe, to the security and credit of this country. The need of it is as strong today as ever. Several independent members who obtained seats in the late Dail Eireann never would have reached Leinster House under any other system than 'P. R.'—and those include deputies who have contributed far more than an average share of intelligence to the Dail's proceedings.

"He [Mr. de Valera] may be satisfied genuinely that the task of government with a small majority is too arduous, but to sacrifice 'P. R.' is to cure a little evil at the expense of a great good. If 'stable' government is essential, there are many remedies for instability which are better worthy of his attention. The sanest solution would be something on the lines of 'National' government."

Irish Times, Editorial, June 7, 1938: "He [the Premier] aroused a hornet's nest when he hinted at the abolition of P. R."

Cork Examiner, Editorial, June 3, 1938: "It [P. R.] admittedly provided, and provides, a safety-valve in a country of volatile politicians. And, outside of all that, any attack on the proportional system demonstrates appalling inconsistency, not only by political leaders and their followers but by the public who take any interest in politics. A stock complaint on the side of the Nationalists of the north, and that of their sympathizers in the south, is the abolition of the proportional system by the Craigavon government of Belfast. That, coupled with the jerry-mandering of constituencies, deprived the northern Nationalists of fair representation in the Parliament and in the local authorities of Northern Ireland. If the abolition of the system, ostensibly in the interest of 'strong government,' was a bad thing in itself for one

part of Ireland, it cannot be a good thing in the other part."

Irish Independent, Editorial, June 8, 1938: "Apart from this issue of Dail Eireann's supremacy, the other questions before the electorate are few, but important. One is the proposal of Fianna Fail to abolish proportional representation, as Lord Craigavon has done in the six counties, and for the same reason—namely, to wipe out the representation of minorities and reduce Parliament to a mere institution for giving legislative effect to the decisions of one political party. We doubt if this proposal is in accord with the Irishman's notion of democracy and fair play."

CANON LUCE

Canon A. A. Luce, Professor of Moral Philosophy at Trinity College, Dublin, letter published in the *Irish Times*, June 23, 1938: "I troubled you with a letter in defence of 'P. R.' when that system was threatened some years ago from the side of Fine Gael. May I do so again, now that the same question has been raised in the opposite camp?"

"On the former occasion the event proved that the threat was due to a vague and passing feeling of dissatisfaction, and not to any permanent or reasoned objection to the system. It would be a thousand pities if the other great party, in a fit of impatience, were to scrap this well tested instrument of enlightened democracy, an instrument to which we all, irrespective of creed, class, and party, owe far more than we sometimes realize, and which can do for our children what it has done for us.

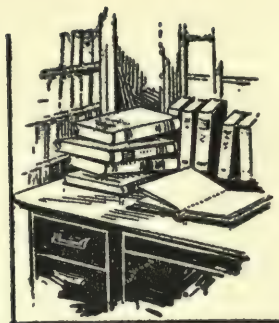
"P. R. has been a healing force in our midst. Old political feuds are dying; public spirit is replacing faction. Our elections are well conducted. The voice of reason is heard, and the gun is silent. P. R. deserves much of the credit, for P. R. produces contented and loyal

minorities, whereas the other system breeds muzzled, sullen, discontented minorities, predisposed to doctrines of violence.

"P. R. has been a unifying force, and unity is strength. The other system antagonizes majority and minority, accentuates the differences between them, and, therefore, weakens both. How, then, can some say that P. R. fails to give strong governance? A contented minority is a strength to the majority, while a discontented minority and a bullying majority are a weakness to the whole body politic. Surely those who accuse P. R. of making for weak governments are confusing the strength of authority, based on political consent, with the brute strength of *force majeure*. . .

"Since the establishment of the Free State we have lived under several administrations, every one of them elected by P. R. Every one of them has been a strong government, judged by the true test of strength. Their legislative output has been large, yet most of the grave measures have been carried by the slenderest majority. The scale only just turned, but there was consent behind it, and whether we approved or disapproved, we all accepted the decisions loyally and cheerfully and made them our own; for we have been able to say to ourselves: 'It is the will of the people, ascertained under the fairest electoral system ever devised by the wit of man.' We shall not be able to say that if P. R. goes, the feeling of enforced submission will banish the free-man's feeling of glad consent to the law which he, through his representative, has helped to make. A government with a majority of six under P. R. is infinitely stronger than a government with a majority of sixty elected otherwise."

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

TAXATION AND FINANCE

Tax Systems of the World (seventh edition). By Tax Research Foundation. Chicago and New York City, Commerce Clearing House, Inc., 420 pp. \$8.75.

This large and comprehensive volume presents a collection of the essential facts and data about the tax systems of the federal government and its possessions, each of the forty-eight states and the District of Columbia, and more than sixty principal foreign jurisdictions throughout the world. Set forth are the base, rate, collection, and administration of the various taxes levied, as well as a wealth of related factual information. Full effect has been given to the new tax laws, rates, etc., enacted by the sixty-six sessions of the forty-eight state legislatures meeting in 1937.

Charts cover national, state or provincial, and local tax revenues, tax burdens as measured by ratio of taxes to national income, growth of debts and expenditures, political systems, budget systems, economic data, and other pertinent facts and figures. Also included are model tax charts, summarizing replies of specialists in taxation and public finance to a questionnaire soliciting the essential factors of the "ideal" tax system.

The volume was prepared under the direction of the New York State Tax Commission with the collaboration of three hundred tax authorities in this country and abroad.

Tennessee Tax Handbook. By Fred R. Young and Julian Bland. Kingsport, Tennessee, Southern Publishers, Inc., 1938. vi, 1,393 pp. \$7.50.

This manual sets forth the text of each tax law in a chapter by itself, accompanied by

information on the history of the law, the specific rules and regulations developed to date, pertinent comment with respect to the law, and the Supreme Court decisions affecting it (verbatim). It is well illustrated with charts, diagrams, forms, etc., and presents a complete and useful compendium for taxpayers, their representatives, and state and local officials. Included in the volume are the state constitution, the reorganization act of 1937, a table of comparative revenues for 1936-37, and a chart showing the recently reorganized Department of Finance and Taxation.

Financial Statistics of Cities, 1936.

Prepared under the supervision of C. E. Rightor, Chief Statistician for Financial Statistics of States and Cities, Bureau of the Census. Washington, D. C., United States Government Printing Office, 1938. 212 pp. Seventy cents.

This is the annual report of the Bureau of the Census setting forth, for the year 1936, the financial transactions of the ninety-four cities having an estimated population of over a hundred thousand. Included are statements on receipts and expenditures, assessed valuation of taxable property, the amount of taxes levied, indebtedness, and specified assets at the close of the year.

Cost of Government in the United States, 1935-1937. By Lewis H. Kimmel. New York City. National Industrial Conference Board, Inc., 1938. xv, 163 pp. \$3.50.

This study is the thirteenth in the Conference Board's series on the cost of government. It covers governmental expenditures, tax collections, the federal deficit, public debt, and social security finances. The present volume is the first to discuss the latter sub-

ject. According to the figures set forth, the combined expenditures of all governments in the country reached a new peace-time peak in 1936. Tax collections for the same year exceeded the previous all-time maximum of 1930. The public debt trend has also been upward.

The Administration of Canadian Conditional Grants. By Luella Gettys. Chicago, Public Administration Service, 1938. 193 pp. \$2.75.

This study, issued as volume III of studies in administration by the Committee on Public Administration of the Social Science Research Council, is the first attempt to systematize and analyze data pertaining to Canadian conditional grants. The administrative aspects of dominion-provincial relationships is emphasized, but sufficient descriptive detail of the activities aided is included to give the material the greatest possible utility. The history of each of the conditional grants made to the provinces by the dominion is reviewed and an analysis made of experience under each.

The Kansas Retail Sales Tax Fund. Topeka, Research Department, Kansas Legislative Council, 1938. 20 pp. mimeo.

A statement of collection experience under the sales, compensating, and beer taxes; estimated receipts to retail sales tax fund through May 2, 1938; and distribution of residue to the counties. It was prepared in coöperation with the Retail Sales Tax Department of the Kansas State Tax Commission for submission to the 1938 special session of the Kansas legislature.

Financial Reports of Municipalities. By The Uniform Accounting Committee. San Francisco, League of California Municipalities, 1938. 133 pp. \$2.50.

Tentative outline of a financial report as suggested for the use of California cities.

Concentration of State Tax Administration. Prepared for Committee on Municipal Government and Fees and Salaries. Topeka, Kansas, Research Department, Kansas Legislative Council, 1938. 20 pp. mimeo.

A preliminary report surveying the decentralized system of state tax administration in

Kansas and possibilities for reorganization as shown by concentrated systems in other states.

The Undistributed Profits Tax. By M. Slade Kendrick. Washington, D. C., The Brookings Institution, 1937. 108 pp. Fifty cents.

This study reaches the conclusion "unequivocally" that the undistributed profits tax should be repealed. In the author's opinion the arguments in its favor do not "in the light of analysis, weigh heavily as against the adverse effects of the tax in other ways."

Accounting Manual for Texas Cities and Towns. Chicago, Municipal Finance Officers Association of the United States and Canada, 1938. 101 pp. \$1.25.

Prepared by the Municipal Finance Officers Association for its Texas chapter and for the League of Texas Municipalities.

The Organization and Methods of the Department of Assessment in Rochester, New York. Rochester, Bureau of Municipal Research, Inc., 1937. 78 pp. mimeo.

A report to the city manager on the administration of the Department of Assessment, disclosing the extent to which assessing has been standardized, the degree of equity secured, and the need for change in technical and administrative procedure.

A Report on Real Property Assessments in Philadelphia. By Karl Scholz. Philadelphia, Institute of Local and State Government, University of Pennsylvania, 1937. 44 pp. mimeo.

CIVIL SERVICE

Training for the Public Service Occupations, 1937. By Jerry R. Hawke. Washington, D. C., United States Department of the Interior, Office of Education, 1938. 82 pp. Twenty cents. (Apply to Superintendent of Documents, Washington, D. C.)

This bulletin reviews what has already been accomplished along the lines of training for public service occupations; explains the provisions of the George-Deen act as they relate to the promotion of vocational education; sets up a procedure which experience has shown to be successful in planning and

developing training programs; and demonstrates how the services of federal, state and local trade and industrial education agencies may be enlisted in the organization of vocational training programs for public service occupations.

The Administration of Personnel in Correctional Institutions in New York State. By D. Ross Pugmire. New York City, Bureau of Publications, Teachers College, Columbia University, 1937. viii, 182 pp. \$2.10.

The personnel of five correctional institutions in New York State has been made the basis of this study. Selection, induction, in-service training, health and conditions of work, leave and vacations, salaries, tenure, and retirement are investigated by the central office of the State Department of Correction. The study emphasizes the importance in an educational program of the kind of personnel engaged and stresses the necessity of having a system of personnel administration which will enlist and retain the services of those especially qualified for the work.

Facts and Fallacies about Position-Classification. By Ismar Baruch. Chicago, Civil Service Assembly of the United States and Canada, 1937. 25 pp. Twenty-five cents.

A discussion of some of the problems involved in a correct understanding of "position-classification."

Employee-Maintenance by Erie County, New York. Buffalo, New York, Municipal Research Bureau, Inc., 1938. 11 pp. mimeo. Twenty-five cents.

Some three hundred persons on the Erie County payroll receive some part of what is called "maintenance" as part of their compensation. This study reaches the conclusion that "there is only one way to place maintenance under control, namely: to require that it be paid for in cash or by a charge against the cash salary of the employee," such salary to be increased by the amount of maintenance the employee involved is entitled to receive. Other recommendations set forth the details for carrying out such a plan.

The German Civil Service Act. By James K. Pollock and Alfred V. Boerner, Jr. Chi-

cago, Civil Service Assembly of the United States and Canada, 1938. 54 pp. \$1.75.

A translation of the German civil service act of 1937 with selections from the national service disciplinary code and salary schedules.

POLICEMEN AND FIREMEN

Traffic Engineering and the Police. By Harold F. Hammond and Franklin M. Kreml. New York City, National Conservation Bureau, and Evanston, Illinois, Safety Division, International Association of Chiefs of Police, 1938. 92 pp. Forty cents.

A handbook dealing with elementary traffic engineering techniques designed to reduce traffic accidents and congestion through the control of physical hazards.

Compensation, Conditions of Employment, and Retirement Benefits of Policemen and Firemen in the City of New York and in 292 Other Cities in the United States. New York City, Citizens Budget Commission, Inc., 1938. 63 pp. One dollar.

As a result of a survey made by the Citizens Budget Commission, much enlightening information has been collected which, in the commission's judgment, should be useful in consideration of future legislation with respect to the uniformed forces of the City of New York.

A Manual for Municipal Volunteer Fire Departments in Wisconsin. Madison, Wisconsin, League of Wisconsin Municipalities, 1938. 38 pp. mimeo. Fifty cents.

This manual has been prepared in an attempt to clarify some of the most common problems which arise concerning the operation and control of local volunteer fire departments. A model ordinance for the government of such a department is included.

A Survey of the Bureau of Police, Department of Public Safety, Pittsburgh. New York City, Institute of Public Administration, 1937. 143 pp. mimeo.

Contains recommendations on reorganization which will reduce the structure of the police machine to workable limits by consolidating units and grouping related activities. Changes suggested will permit of closer supervision and give the superintendent of

police a more complete knowledge of the distribution and problems of the rank and file.

Police and Firemen's Pension Funds of the City of Buffalo, New York (revised). Buffalo, Municipal Research Bureau, Inc., 1938. 24 pp. mimeo. Thirty-five cents.

A description of the present police and firemen's pension fund plans, with recommendations for their improvement.

PLANNING

New Horizons in Planning, 1937. Chicago, American Society of Planning Officials, 1937. 178 pp. \$2.00.

This book contains the proceedings of the 1937 meeting of the members of four organizations—American City Planning Institute, American Planning and Civic Association, American Society of Planning Officials, and National Economic and Social Planning Association—and sets forth their combined suggestions for urban, rural, and regional reconstruction.

From Plan to Reality, Two. New York City, Regional Plan Association, Inc., 1938. 95 pp. \$2.00.

A report in detail of a survey of the progress made toward the realization of the "Regional Plan of New York and Its Environs" in the years 1933-1936 inclusive. Covered also, but in a more general way, is the total advance during the eight years following the publication of the plan and the organization of the Regional Plan Association to promote it in 1929.

TOLEDO INSPECTS ITS GOVERNMENT

(Continued from Page 404)

that, in spite of the fact that Toledo enjoys one of the lowest tax rates of any city its size in the country and has repeatedly balanced its budget under city manager government, it is giving a highly efficient, modern, progressive type of service to its people.

Another important by-product of the exposition was the increased interest and morale of city employees and the

MUNICIPAL GOVERNMENT

City Problems of 1937. Edited by Paul V. Betters. Washington, D. C., United States Conference of Mayors, 1937. v, 142 pp. \$3.00.

The annual proceedings of the United States Conference of Mayors, Washington, D. C., November 15-17, 1937, containing discussions on the municipal airport problem, government and industrial disputes, relief and unemployment, and housing.

City-State Relations. By J. P. Horlacher and J. C. Phillips, under auspices of the Institute of Local and State Government of the University of Pennsylvania. Philadelphia, Philadelphia Charter Commission, 1937. 65 pp. mimeo.

A study of the governmental relations between the commonwealth of Pennsylvania and the city and county of Philadelphia.

The Development of Local Boards in the Madras Presidency. By M. Venkatarangaiya. Bombay, The Local Self-Government Institute, 1938. xvi, 242 pp. Rs. 4/—

This is a study of local government as it has developed in the rural areas of the province of Madras. It traces the chief landmarks in the development of local boards and explains the nature of the problems with which legislators and administrators have been faced in their attempts to establish what they considered an efficient and democratic system of local administration.

pride that they took in their own work and in the services which they are rendering.

The whole affair was conducted at a minimum of expense, both to the city and to the civic organizations. The former had almost no expense, since all equipment, supplies, even the signs, were furnished by the various departments participating, and in the case of the latter, due to the generous coöperation and contributions received, a modest printing bill was virtually all that had to be assumed.

NATIONAL MUNICIPAL REVIEW

SEPTEMBER - - 1938

A New Constitution for New York? Well, Maybe

Editorial

**John Randolph Haynes and His Work for Direct
Government**

Winston W. Crouch

State-Municipal Coöperation in Purchasing

Stuart A. MacCorkle

Recreation to the Fore in American Cities

Weaver W. Pangburn

City Planning Personnel – A Critical Analysis

Arthur L. Shepard

Arkansas Tries the Merit System

Estal E. Sparlin

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NATIONAL MUNICIPAL LEAGUE

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The League's Business

Baldwin Prize Essay Judges Appointed.—Professor George C. S. Benson, of the Horace H. Rackham School of Graduate Studies, University of Michigan; Professor E. B. Schulz of the Department of History and Government, Lehigh University; and Alfred Willoughby, assistant secretary of the National Municipal League, have been appointed as judges of the 1938 Baldwin prize essay contest. Announcement of the winner of the one-hundred-dollar prize is expected to be made within a few weeks.

* * *

League Secretaries on Field Trip.—The secretary and assistant secretary of the League are planning a field trip for late September and early October in the interests of the League's program. Cities on their itinerary will include Buffalo, Madison, Toledo, Indianapolis, Cincinnati, Washington, Baltimore, where they will confer with the steering committee organized to make local plans for the League's forty-fourth annual conference, and Philadelphia, where a new city manager-proportional representation charter has just been made public by the charter commission appointed by Governor Earle and the Pennsylvania legislature some fifteen months ago.

HOWARD P. JONES, *Secretary*

Forty-fourth Annual Conference on Government

Lord Baltimore Hotel, Baltimore, Maryland

December 1st, 2nd, and 3rd

National Municipal League

Proportional Representation League

National Association of Civic Secretaries

participating

Subjects to be discussed include: publicizing government, reorganization of county government, progress under city management, financial problems, state aid, proportional representation, planning, recreation, personnel, police, education and cultural services, and unemployment relief.

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National Municipal Review

Editorial Comment

Democracy Attacked at Home

THE last hectic hours are proverbially the hours of danger in legislative bodies. The New York State Constitutional Convention proved no exception. On the last morning of its regular deliberations a surprise combination of upstate Republican and New York City Tammany politicians rode roughshod over the convention leaders to put through as brazen an assault on the fundamental principles of self-government as has been seen in many years. This combination amended the otherwise excellent suffrage committee proposal to provide that "no election for any office to be filled by the people of the state or any of its subdivisions shall be conducted by any system of proportional representation."

Proportional representation, familiarly known as "P.R.," is the modern method of giving fair representation to minorities as well as majorities which the people of New York City adopted for their new city council in 1936 by a vote of 923,186 to 555,217. Under it half a million more people have obtained representation in the council than were ever able to elect aldermen for whom they voted under the old plan.

The last board of aldermen under the old district plurality system consisted of sixty-two Democrats and three Republicans. Even last fall, when the LaGuardia landslide reduced the Tammany popular vote for minor offices to approximately 50 per cent of the whole, the Democrats in district plurality elections elected 80 per cent of the city's assemblymen and 87 per cent of its

delegates to the constitutional convention. But the twenty-six-man city council elected by P.R. the same day properly includes only thirteen Democrats. The other thirteen members are Republicans, Laborites and independents. For the first time in a generation the Tammany steam roller has ceased to roll in the city representative body.

This, of course, explains the anxiety of New York City Tammany politicians to be rid of the system. Apparently certain upstate Republican politicians like the idea of fair treatment for minorities no better. The amendment was introduced by a delegate from Schenectady, where a referendum vote on the adoption of P.R. is to be taken this fall.

The ban on P.R. was a flagrant violation of the principles of home rule which the convention had already affirmed in principle at least three times, in separate measures, for cities, counties, and first class villages. No city can adopt P.R. without a majority vote of its electors and any city can discard it by the same method if it does not like it in practice. In its action, the convention flies in the face of an overwhelming majority vote in the City of New York and prevents other cities from choosing their own method of selecting local officials.

It is to be hoped that the people of New York State still cherish the basic principles of democracy sufficiently to reject this disgraceful action at the polls.

A New Constitution for New York? Well, Maybe

IF ANY state, from the standpoint of experience, tradition, and endowments of leadership and wealth, was in a position to lead the way with a new state constitution which could have served in some measure as an inspiration and encouragement to other states, it was the "Empire State," richest and most populous and acknowledged leader in so many fields of governmental activity.

The present New York constitution is one of the best. The convention had the chance to shape it into a great forward-looking document. This opportunity was fuffed. In the end, all but a helpless few of the delegates were so bedevilled by thoughts of political advantage that a convention which met with high hopes of constructive progress became in the last days seriously discredited. It was virtually a confession when the convention finally proposed that future conventions should never be held in years when there is to be a gubernatorial election. The convention's submissions, as far as they go, however, are important and useful, with a few outstanding exceptions.

Distinctly a step backward for a state with a well organized government was the attempted slap at the "bureaucracy" of the New Deal through a proposal to make nearly all administrative decisions subject to judicial review on the facts as well as the law. This proposal was earnestly supported by some delegates on its merits, but its possibilities for overburdening of the courts and the crippling of public administration, particularly in the fixing of utility rates and civil service administration, are staggering.

Legislative reapportionment was, of course, primarily a political issue and it was hardly to be expected that the convention would do more than it did

to equalize representation. The proposal makes some improvements in the gross inequalities which have developed since the last reapportionment in 1917 but prescribes a formula for the future which fails to satisfy the large cities. In case the legislature fails to act for two sessions (as it consistently has, not only in New York but in other states which have "the big city problem"), the job is to be turned over to a commission appointed by the courts—two members appointed by judges in New York City and eight by judges outside New York City. If the people reject the commission's reapportionment at the polls, no provision for a substitute is made until the next apportionment is due. Strong sentiment among civic leaders for consideration of the proportional representation system of voting, which would have equably and permanently solved the reapportionment problem, fell on deaf ears.

The worst action of the convention was the deal calculated to strike a death blow at the use of proportional representation anywhere in the state, including New York City. This is discussed in greater detail in another editorial in this issue.

The convention approved a dubious proposal to make every pension arrangement a "contractual relationship" after July 1, 1940, which apparently would make any pension benefit, once granted by a legislature or city council, impossible to rescind, no matter how unjustified by the extent of employee contribution. Veterans' preference, however, was voted down, together with a two-year residence restriction on applicants for civil service appointments.

The convention's work was curiously "spotty." Some very able and public-spirited leaders worked long and unselfishly and succeeded in writing

numerous improvements into the document which will be submitted to the voters in November.

Among the eight questions which will be put before the voters separately and apart from the main proposal will be proposals for housing and slum clearance, sanctioning the use of public money and credit for social security purposes, and permitting New York City to borrow \$315,000,000 outside its debt limit for purchases to bring about the much needed unification of its transit lines.

But such controversial items as the pension amendment, permission to use public funds for denominational school transportation, and limitations on powers of taxation are unfortunately lumped, so that all must be approved or rejected together, with a considerable number of clearly beneficial proposals.

A few of these latter are: authority to use permanent personal registration, a signature requirement for voting anywhere in the state, helpful extensions of city, county, and village home rule, a modification of the tax limit to encourage pay-as-you-go financing for city capital improvements, an exten-

sion of the serial bond system, greatly improved municipal finance provisions, a provision for forfeiture of office if public officials refuse to testify concerning their official conduct, and a requirement that all bills, without exception, be on the desks of the legislators in final form before final passage.

Thus there is bad and good in the proposed constitution. Voters will have to be more discriminating than usual to separate the chaff from the wheat. The temptation will be to reject it entirely, as they did a good constitution in 1915. While that action was a keen disappointment at the time to men who had labored hard and honestly, it worked out well in the long run because in the interim practically all of the 1915 convention's important proposals have been inserted in the constitution singly by amendment.

As the NATIONAL MUNICIPAL REVIEW said editorially when the delegates first met last April, there is no great hurry. But there *is* a need to rebuke "practical politics" and encourage constructive statesmanship which tried to rise to the greatness of the opportunity.

John Randolph Haynes and His Work for Direct Government

The story of the untiring devotion and leadership of the man most responsible for the adoption and retention of the initiative, referendum, and recall in California.

By WINSTON W. CROUCH
University of California at Los Angeles

BRAND WHITLOCK once wrote, "The cure for the ills from which cities suffer is more democracy." Few movements grounded in that philosophy have made a more effective impact upon the institutions of politics and legislation in the United States than the progressive movement in the first part of this century. The fundamental symbols of that movement were those of democratic control over the legislative processes of government. Born out of antagonism to an entrenched leadership that had consolidated its control won in the politics of expansion and business development, the progressive group found its leaders in a group of newspaper men, attorneys, and business men who were masters of the art of direct appeal to crowds of voters. Three of the reforms consistently urged by the progressives were the initiative, referendum, and recall. In these three devices this group believed they had found the necessary implements by which controlled groups, or the "machine," could be thwarted or defeated.

California has offered especially fertile soil for such ideas. The political adjustments in this state in 1900 were not unlike those of many other states—a tightly knit hierarchy of political control dominated by the emissaries of a certain few large corporations. Within the California scene, however, was an

abundance of material for leadership that was drawn more into insurgent ranks than into the machine. Revolt was in the temper of these times, but California still continued, in quieter times, to make extensive use of the direct government tools produced by this earlier movement. In twenty-seven years the California constitution has been amended sixteen times by initiative. Twenty-seven acts of the legislature have been referred to the people for popular vote, and in seventeen of these cases the legislature has been reversed. Thirty-eight statutes have been initiated, of which eleven have been approved by the voters. The recall has been used sparingly against state officers, although it has been used with greater frequency in smaller cities.¹

The preparation of the way for the initiative, referendum, and recall in California was largely the work of one person, Dr. John R. Haynes, a wealthy man of strong democratic beliefs. By the time the progressives had captured control of the California legislature and the governor's office under Hiram Johnson, in 1910, the ideas of direct government had been solidly laid in important quarters by Dr. Haynes. For more than thirty-five years he was the recognized champion of direct government, to whom its friends turned for leadership, and with whom its opponents had to reckon. An analysis of the techniques employed in securing adoption of these instruments of popular government constitute an interesting case study in the methods of successful political reform. No less interesting are the techniques employed to consolidate and protect the gains won.

¹See Bird, Frederick, and Ryan, F. M., *Recall of Public Officers*, New York, Macmillan, 1930.

The methods were essentially those of "practical" politics applied in realistic fashion to consummate an ideal.

From 1900 until his death on October 30, 1937, Dr. Haynes was a tireless worker for popular government. Among his interests, other than "the triplets of direct government," were public ownership and the direct primary. As a wealthy physician with a wide acquaintanceship, he commanded extensive publicity for his various undertakings.

Dr. Haynes was typical in many respects of a group of leaders all too small in this country—well-to-do men of large affairs who maintain an effective belief in liberal politics. His interest in reform and good government seems to have been the result partly of family tradition and partly of his own belief in the hard common sense of responsible government. His understanding of the methods of politics came from close observation of the municipal government process in Philadelphia, where he lived as a young man, and later in Los Angeles. From these observations he developed the point of view which he expressed: "Even the election of good men to office, when through Herculean effort this was spasmodically achieved, frequently failed to produce any marked effect, through reason of the fact that these men often failed to remain good." Other modes of legislative action had to be kept open, in his opinion. He maintained a steadfast belief in the innate honesty of the mass of voters, and insisted that if the proper instruments of political control were placed before the electorate, our representative form of government would function honestly and effectively. His keen interest in popular government led him to participate in several programs for more effective political control. For many years until the time of his death he was honorary vice-president of the National Municipal League, and took an active part in the League's programs. His passing has removed a notable

character from a scene of activities that was wider than his adopted state of California.

Although the friends of the initiative, referendum, and recall sought to develop their reforms on state-wide scales, their earlier successes were won in the cities. Within the processes of amending home rule charters they found the most practical approaches to their goal. Under the constitution of 1879 California cities had been granted the home rule privilege of drafting their own charters for submission to the legislature. San Francisco became the first major city to adopt the initiative and referendum, when it placed those devices in its charter in 1899.

In the 1900 election of a board of freeholders to write a new charter for the city of Los Angeles, Dr. Haynes polled the largest vote of all candidates. Declining the position of chairman, for which his voting strength made him a candidate, he maneuvered the selection of a friend who could be counted upon to make satisfactory committee appointments. Haynes was appointed chairman of the committee on legislation and from that position carried on the campaign for inserting direct legislation provisions in the new charter.

COURTS INTERFERE

The work of this freeholder committee was nullified, however, by the courts on technical grounds, and a new committee was selected in 1902. Haynes was not a member of the committee and was, therefore, forced to work from the outside. The chief device used on this occasion was that stand-by of those seeking to influence legislation, the banquet. Dr. Haynes wished to have Eltwed Pomeroy, of the Direct Legislation League, explain direct legislation to the freeholders, but knew that a lecture would avail nothing. An elaborate dinner, however, was staged at Levy's, the fashionable restaurant of the city, on the same evening as the scheduled

meeting of the freeholders. The chef was instructed to spare nothing for the delight of the guests. As the hour for the freeholders' meeting neared it was apparent that those persons had forgotten their scheduled conclave. Whereupon it was suggested that the minute books be brought to the restaurant, a meeting of the freeholders could be conducted without moving from the pleasant surroundings, and Eltweed Pomeroy would discuss certain matters! In deference to a genial host this suggestion was followed. Pomeroy was sufficiently lucid so that at the conclusion of his discourse a motion was made and carried to submit direct legislation proposals with the charter.

With the adoption of this charter of 1903, Los Angeles became the first city in the United States to establish the recall as a means for controlling elected officials. The recall of an erring councilman, together with two successful threats of recall that defeated corrupt franchise "grabs," advertised the advantages of direct government to other cities in California. It appeared as an attractive weapon to independent groups who were then becoming aroused at the audacious and sometimes crude methods employed by local "machines" which were appearing as evidences of the increasing urbanization of California.

ORGANIZATION EFFECTED

During these early maneuvers the Direct Legislation League of California was organized as the formal instrument by which the campaign for direct legislation was to be waged among the legislators and prominent citizens. Although its active membership consisted largely of two men, Dr. Haynes, president, and Mr. George Dunlap, secretary, it was an effective organization. One of its chief tools was an impressive letterhead which could be materialized when the necessities of legislative campaigns demanded. A sturdy array of vice-

presidents included executive officers of large corporations, high churchmen, prominent professional people, and leaders in various groups. In gathering this list the leaders of the league betrayed a slightly Machievellian tendency. Leaders of such groups as organized labor, the temperance organizations, Socialists, and similar militant minorities were recruited for their value, but the names were always offset by others representing business and the professions. On one occasion it was found advisable to include a representative of the brewers among the list, lest that group regard the league as being committed to a program that aimed to destroy their business. This was made all the more necessary by the fact that the "Drys" had made enthusiastic use of the initiative in Los Angeles and San Francisco when that instrument was added to the charters of those cities. The league rallied support from all groups that stood to gain by use of the direct legislation devices, but refused to be identified with any stereotyped symbols other than those traditionally "respectable."

As success came in the cities, the friends of direct government turned toward the state capital. From 1901 to 1911 Dr. Haynes employed the techniques of legislative lobbying, in which he maintained a certain standing even with such "bosses" as Abraham Ruef and Walter Herrin, whose activities might ultimately be curbed by direct legislation. This leader of reform differed in many ways from the stereotype of a reformer. He was willing to hobnob with the bosses and work through the existing political machinery to get an opening wedge for his proposals. He regularly waited upon the steering groups of district political conventions in an attempt to have a direct government plank installed in the party platforms. Friends were recruited in both parties. On one occasion there were two factions contending for the chairmanship of the

Republican district convention. Dr. Haynes went to each candidate and arranged an agreement whereby if either man were made chairman, the other would be made vice-chairman, and certain men would be appointed to the resolutions committee. Such maneuvers were possible because of the wide acquaintanceship of the doctor among those politically active in the state. A large medical practice gave him access to many of the business, professional, and political leaders of Los Angeles. Some of these came to know him as their family physician. For example, the doctor numbered among his patients the family of the state senator who introduced direct legislation amendments at one session. While these contacts were important in obtaining introduction of bills in the legislature, the necessary political strength to guarantee passage was lacking. Nevertheless, this patient campaigning was destined to bear fruit.

Necessary political strength to carry adoption of the initiative, referendum, and recall was recruited in the insurgent political movement known in California as the Lincoln-Roosevelt League. This league, which had its roots in an independent group in the Los Angeles city elections of 1906, captured the Republican state organization in 1910, and under the progressive banner dominated state and local affairs for several years. The entire movement originated in revolt against the powerful political machine that worked under the guidance of the Southern Pacific Railroad. The machine, operating ostensibly as a state organization, felt it necessary to maintain a working alliance with local city machines such as the notorious Ruef-Schmitz organization in San Francisco and the less publicized, but efficient Los Angeles city organization. This organization and its satellites dominated the political and economic life of the state.

In the 1906 municipal elections in Los Angeles the Non-Partisan City Central

Committee, as the independents were known, won a surprising victory over the machine, winning nineteen of the twenty elective offices. Enheartened by this victory, the leaders of this Los Angeles coup assisted citizens in other cities to organize similar campaigns. Such cities as Sacramento, Oakland, and San Francisco began to show signs of successful revolt, electing independent mayors and councilmen. In 1907 the Schmitz-Ruef regime was broken in San Francisco by the famous graft prosecutions, and renewed attention was given to popular government.

Exposures of machine control were multiplying so that the revolt movement took on a state-wide aspect. After the close of the 1907 legislature, Chester H. Rowell, legislative writer for the *Fresno Republican*, and Edward A. Dickson, of the *Los Angeles Express*, called a group of independents to meet in Los Angeles May 21, 1907, to consider organization for a state-wide campaign. Dr. John R. Haynes of the Direct Legislation League was one of the fifteen men who attended that meeting. Out of that assembly came the Lincoln-Roosevelt League.

Three points of activity were decided upon as a policy for the new league: (1) to break the control of the Southern Pacific machine, if possible; (2) to secure the adoption of (a) the initiative, referendum, and recall, and (b) the direct primary; (3) to secure woman suffrage. A second meeting, held at Oakland August 1, 1907, laid plans for an extensive campaign under the chairmanship of Chester Rowell. In 1908 the league elected nearly a majority of both houses of the legislature, and secured passage of a direct primary law that became the opening wedge for their successful campaign of 1910. In the latter year the league elected a state ticket headed by Hiram Johnson as governor, and moved into control of the Republican state organization and of the elective offices of the state. In two and a

half years the Lincoln-Roosevelt League had defeated the once impregnable machine and had obtained control of the political institutions of the state.

In his inaugural address to the legislature, Governor Johnson placed the full strength of his administration behind the initiative, referendum, and recall. The progressives generally held the belief that, although they as a group might pass from the scene in a few years, instruments of popular government should be left available in the law, whereby aroused groups might preserve the control over government that they had fought to obtain. A constitutional amendment embodying these proposals passed the 1911 legislature and was approved by the electorate after one of the bitterest battles ever waged over a state measure. This bitterness centered largely around the recall of the judiciary, although the entire direct government philosophy was fought vigorously.²

Passage of this amendment culminated an eleven-year campaign wherein the cities had led the way. By 1910 twenty home rule cities of California had voted to incorporate direct government provisions in their charters. The 1911 amendment extended these privileges to voters in all cities as well as to those of the state at large.

For a period of four years after the direct government amendment was approved, there was little effective opposition. Enthusiasm was at a high pitch. Having won a victory in legislative elections, there appeared to be little cause for the groups that had supported the initiative and referendum to make use of those devices at that time. By 1915, however, interest had receded sufficiently to permit proposals to restrict the exercise of initiative, referendum, and recall to be entertained. The most important

of the suggested limitations had considerable precedent to support it. It was proposed that initiative bond propositions should require a two-thirds vote of the electorate for approval. The two-thirds vote requirement had been in operation for several years with regard to local bond elections and the voters were conditioned to such a limitation. After a vigorous campaign, however, by the Direct Legislative League as well as individuals who had but recently become apostles of the new freedom, the 1915 proposal was rejected.

EFFECTIVE LEADERSHIP

It is indeed a great tribute to the political effectiveness of Dr. Haynes and his associates that since 1911 no other proposal to limit, repeal, or seriously alter the initiative, referendum, and recall laws has passed the legislature. While there were many who shared in the legislative battles that occurred from time to time as opponents sought to repeal and alter these laws, it was always to the venerable pioneer of the movement that they turned for leadership. During his lifetime Dr. Haynes attended some portion of each legislative session. Newspaper representatives, legislators, state officeholders, and lobbyists kept him posted on events and sources of strength and opposition. Under the rules of the bifurcated session of the California legislature, no bills may be introduced after the first thirty days without special permission. Therefore, most major legislative proposals are known by the end of the first part of the session. Legislators can be contacted and the undesirable features of legislation pointed out. The leaders of the Direct Legislation League were so skillful in their tactics that most antagonistic bills died in legislative committee. All legislative proposals were analyzed carefully, and a statement of the effect that the bill would have was sent out to every legislator. Usually the mere

²See Franklin Hitchborn's *The Story of the California Legislature of 1911* (San Francisco, 1911) for an interesting account of this maneuver.

analysis and publication of the bill's defects were sufficient to defeat it.

A large amount of the success of protecting direct government laws from amendment by the legislature is due, no doubt, to the fact that very early there grew up a bloc of groups that had a vested interest in protecting some phase of direct government. At one time or another the public school groups, the "drys," organized labor, farm groups, and others could be rallied to support the initiative because they had obtained favorable legislation by that means. An example that illustrates this situation is found in the state school support amendment of 1920. A growing school population, coupled with demands for improved facilities, had forced school authorities to appeal to the legislature as well as to local boards for a greater support of schools. It was felt that the legislature had lagged in granting assistance to districts and hence was forcing the schools to choose between the dilemma of a greater burden upon local tax bases or a lesser school program and lower salaries for teachers. A state constitutional amendment initiated by teacher groups and school organizations in 1920 placed a fixed charge upon the state and counties for support of elementary and secondary schools. The results of this campaign brought the school groups solidly within the ranks of the proponents of the initiative.

OPPOSITION TO INITIATIVE

Inasmuch as the initiative is primarily a device by which groups may seek legislation that cannot be obtained through the normal processes, it is not surprising that efforts to limit popular government were usually aimed at that device alone. The chief criticism of the opponents of the initiative is forcefully summed up in the following quotations from an editorial in the *Los Angeles Times*, October 11, 1917:

"Direct legislation, on the other hand, is mob legislation; it is the tyranny of

the majority. . . . Their fault is the fault of all direct legislation; the amendments did not represent the sentiment of the whole people, but were prepared and presented by a small minority of fanatics who sought to dictate in place of submitting to the rule of the people. . . . Under direct legislation deliberation over the justice and equity of an act is impossible. . . . Its vice lies in its lack of opportunity for discussion and amendment—for the threshing and winnowing processes without which legislation is a contradiction in terms. . . ."

Those who remain unconvinced of the desirability of direct legislation have sought either to repeal the laws permitting its use, or failing in that, have sought to limit its scope so that it will not provide any important by-pass from legislative control. Attacks upon the initiative show a noticeable tendency toward similarity, and may be grouped into four main patterns.³ The most persistent, and most effective, is the suggestion that the percentage of signatures required upon initiative and referendum petitions be increased. Similar in purpose is the plan to exclude such matters as taxation from the province of the initiative. A proposal less frequently urged is that signatures to petitions be affixed only in the presence of some designated official located at a central place such as the courthouse. A fourth, which concerns the vital process of gathering signatures to a petition, is that payment of petition circulators shall be forbidden by law. All of the plans have shown a remarkable tendency to reappear periodically before the legislature. All of them seriously limit the initiative in its original purpose, or, as Dr. Haynes repeatedly pointed

³More fully developed in Key, V. O., Jr., and Crouch, W. W., *The Initiative and Referendum in California* (to be published by the University of California Press). Franklin Hichborn, "Sources of Opposition to Direct Legislation in California," *Commonwealth Club of California, Transactions* XXV (1930) 520.

out, place the advantage with large concerns that have the benefits of organization, a large treasury, and skillful publicity work. The continuing theme of the proponents of direct legislation in California has been that it is a vehicle which must be left available to all groups that can muster any respectable strength.

This latter point of view was put to the test in 1920 and 1922 when the opponents of the initiative attempted to strike at it through the very unpopular single tax. Single tax plans had been placed on the ballot three times by means of the initiative, and each time had been defeated decisively. On the plea that their proposal would not jeopardize other types of initiative measures the Anti-Single Tax League proposed an initiative measure that would require 25 per cent of those voting at the last election to initiate any tax measure. Members of the Direct Legislation League found themselves in a curious situation. The legal system they had sponsored was being attacked by a constitutional amendment proposed through the initiative, and in principle they were forced to defend a group for whose tenets they had no very great sympathy! The 1920 campaign on this issue was perhaps the most strenuously fought issue on direct legislation of any occasion since the memorable struggle of 1911. However, Dr. Haynes and his group were able to steer the ship of direct legislation safely between the Scylla and Charybdis of the opposing factions.⁴ The same group that had fostered the 25 per cent proposal returned to the attack in 1922, but with less vigor. The same slogans and arguments were paraded, but they failed to impress a majority of the voters. The high tide of opposition to the initiative in California had been reached in 1920.

Out of these struggles to maintain

the initiative in its original form was born a new campaign vehicle, the League to Protect the Initiative. This organization was almost identical in its leadership with the older Direct Legislation League. The chief difference lay in the fact that the newer group was dedicated to political action "to defeat any and all attacks open or covert that tend(ed) to impair or destroy the power of the people to initiate legislation according to the present provisions of the constitution." The tactics of protection were of necessity somewhat different from the maneuvers of promotion. As experiences with the initiative, referendum, and recall multiplied the league could develop its case from examples rather than from hopes. All who were concerned with the work of the league regarded the leadership as belonging to Dr. Haynes. From his office in Los Angeles, which was partly a library and partly a headquarters, he carried on a considerable correspondence. Officeholders and those active in political work sought him out. As a member of the water and power commission of the city of Los Angeles, he maintained an active part in affairs wherein he could wield large influence. At eighty-four the doctor remained an active general at headquarters, directing the campaigns on the various fronts in which he was concerned.

Just prior to his final illness plans were made for the continuance of an organized leadership—one more institutionalized, but in keeping with the more established position of the initiative, referendum, and recall in California political life. The vast collection of documents, correspondence, and source material which had been gathered was delegated to the administration of an endowed foundation. The Direct Legislation League was to be reconstituted with responsibility lodged with a picked board of trustees which would have power of coöption.

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⁴See John R. Haynes, "California Sticks to the Initiative and Referendum," *NATIONAL MUNICIPAL REVIEW*, XII (1923), 116-118.

State-Municipal Coöperation in Purchasing

By

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Although local governments may secure supplies through their state purchasing departments in at least five states, but little use has been made of this opportunity to cut costs.

DESPITE the fact that practically nothing has appeared in print dealing with the extent of state-municipal co-operation in purchasing, it should be recognized that such an arrangement is made possible in at least five of our states today. A questionnaire sent to every state in the union revealed that Michigan, New Hampshire, Virginia, West Virginia, and Wisconsin all provide some workable system whereby municipalities or counties or both may purchase through the state agency; and Pennsylvania, while recently establishing the necessary statutory provisions, apparently has yet to provide the administrative machinery.

Detailed information concerning state-municipal relationships in regard to purchasing is difficult to obtain; in many instances it cannot be procured because of incomplete records or the absence of statistical data. Restricted by these hazards, a treatment of this comparatively new and undeveloped state-city relationship will be incomplete; yet at the same time, it is believed, it will prove instructive.

Michigan in 1919 enacted legislation which provided for municipal use of the state purchasing agency. The act provided that all supplies, merchandise,

and articles, including building materials necessary for the maintenance, extension, or operation of all state penal, reformatory, charitable, and educational institutions, except the University of Michigan and the Michigan Agricultural College, should be purchased through the state agency. The act further provided that if at any time the University of Michigan, the Michigan Agricultural College, or any city or county institutions should desire to join with the state institutions in making their purchases under provisions of this act, they could do so, but no city or county was permitted to have any voice in the selection of the advisory board.¹ Under the statute it is permissible for the municipalities within the state to use the state organization if they so desire, the state neither assuming the initiative nor shouldering the financial responsibility for purchases made by the local subdivisions. According to the information obtained from the state purchasing agency the cities of the state have never availed themselves of these statutory provisions. No explanation was offered for their neglect; however, since the statute was permissive and the cities have taken no steps to bring about its execution, it is assumed that they are not interested. Again, it should be recalled at this time that the cities in Michigan have demonstrated a live interest in buying through the Michigan Municipal League. It may be that their wants are cared for through the latter agency.

The New Hampshire law of 1919 provided for the utilization of the state purchasing agency but only by the counties. Here again the statute was permissive, for it directed that the state

¹*Compiled Laws of Michigan, 1929, sec. 239.*

agency should purchase all materials and supplies for the county institutions whenever the county commissioners of any county desired to avail themselves of the privilege.² The most significant item in the act is the interpretation of the powers of the state purchasing agent and the relationship of the state to the locality. Here is the only instance among the five states where, although the impetus for starting the action rests with the local community, the transaction takes place through the state and the state is responsible for the debt and must collect from the county. At least this is true in theory, although apparently it has not been practiced, for in the few instances reported it seems that the state placed the orders which were sent direct to the county, and the county paid the vendor. The state did not handle the money nor did it collect any service charge. There is no assurance that the county will secure the state price in the purchase, although such is obviously the intent and has occurred in practice.

LITTLE USED IN NEW HAMPSHIRE

The plan is virtually dormant in New Hampshire. During the year 1937 an estimated \$500 worth of materials were purchased through the state agency for counties. Merrimack County, in which the state capital is located, purchased through the state agency but once during the past year and only three or four times since its establishment in 1919. Apparently other counties of the state have not availed themselves of the opportunity. As to why the method has been used so infrequently, information is not available. Neither state nor county officials seem to be interested in applying the law, and when used no attempt has been made to apply it for purposes other than institutional materials and supplies.

Perhaps the most comprehensive

statutory provisions for state-municipal buying now to be found exist in the state of Virginia. In 1924 a general overhauling of the state purchasing department was made, and in the same session of the general assembly provision was made for state purchasing aids to the local units.³

The statute is significant for three reasons. In the first place it is permissive, placing the responsibility for requesting the right to purchase through the state on the municipality. In the second place the responsibility for making contracts with the vendor, whereby the municipalities may purchase under the terms of the state agreement, rests with the state. And the third item of importance is that the state assumes no financial responsibility for the contracts of the municipalities. Payment is made direct as though the state purchasing agent had never entered the picture. The plan assumes that the municipality will secure the state price on all articles procured in this manner.

How widely is the device used by Virginia cities? Within the first four years of its enactment no instance of use by municipalities occurred, although a few experimental orders were placed by the counties during the period. In one of these instances a county was able to secure equipment for a home for the poor at price reductions of 20 to 33 1-3 per cent. According to reports from the League of Virginia Municipalities, cities have made relatively little use of the device, although the counties have used it more generally.

Mr. P. E. Ketron, recently appointed purchasing director for Virginia, in commenting upon the state system said: "I am in a position to give you only the total amount of purchases made by counties and cities through this office for the fiscal year July 1936-37, \$13,683.00,

²*Public Laws of New Hampshire, 1926, ch. 9, sec. 11.*

³For the complete statute see *Acts and Joint Resolutions of the General Assembly of the State of Virginia, 1924, ch. 9.*

which of course is a very small amount. . . . It is my intention to go into this matter further at a later date with the idea of encouraging the municipalities and counties to use the facilities of our department where desired in making their purchases."⁴

Virginia must be pointed to as the state where the most extensive use of state-municipal coöperation in purchasing exists.

In 1935 West Virginia created a department of purchasing for all departments not otherwise provided for. Municipal purchasing through the state organization was made possible; all expenses incurred were to be met by the local governing body.⁵ Here again the statute was permissive and upon the municipality was placed the power to initiate the process. The state was given power to draw the contracts with the vendor whereby the city might purchase at state prices, the city paying the vendor direct in all cases.

Various sources indicate that no municipalities have to date utilized the process, although county organizations, particularly school boards, have done so. The municipalities have simultaneously developed a coöperative purchasing plan under which they purchase fire hose. The major reason given for the failure to use the state purchasing plan is asserted to be the lack of confidence in the sterility of state politics.

SCHOOLS IMPORTANT BUYERS

While no figures are available on the total amount of purchases made under the plan, it seems safe to assume that they have been small. Three commodities are suggested as being among those most commonly bought through the state: gasoline, oil, and tires, all of which tend to demonstrate that the

school organizations have been the important buyers.

The four states mentioned above have specific provisions for municipal utilization of the state purchasing agency, but the most significant development of the process occurs in a state where no specific provisions are to be found. Wisconsin established a central bureau of purchases in 1929. Here arrangements for municipal purchasing are carried out by statutory implications rather than by expressed provision.⁶

What happens in Wisconsin is that the state purchasing agency actually makes arrangements for its own purchases and in so doing includes in those arrangements provisions that the localities may purchase at the same price if they so desire.

The state officials are very careful to point out that the arrangements which they make with vendors, whereby the municipalities may purchase at the state contract price, make it clear that the state assumes no financial responsibility for the municipal contracts. The fiscal relationships are entirely between the municipalities and the vendors. The vendors make their agreement with the municipalities.

The initiative under this plan rests entirely with the locality. The state does not solicit participation. If the locality wishes to use the arrangement, the state facilities are at its disposal, but the state agency intentionally refrains from urging participation. It is logical that this should occur because it is apparent that the vendor would not look with approval on any publicized statement of the state agency that it could purchase commodities for municipalities more cheaply from the same vendor. Likewise local units with "buy-at-home" policies would not favor pressure from the state government.

⁴From a letter dated March 17, 1938.

⁵*Acts of the West Virginia Legislature, Regular Session, 1935*, ch. 25a, sec. 18.

⁶See *Wisconsin Statutes, 1931*, ch. 15, sec. 28, subsec. 2.

No additional administrative machinery is required. The state does nothing beyond extending the contractual terms to the localities. It does, however, provide information on prices and specifications. No provision is made for reporting the value or number of purchases made through the state agency, and thus no statistics on the extent of the service are available.

The counties of Wisconsin apparently have made more use of the state purchasing agency than have the cities. An estimate of the extent of these purchases indicates that perhaps 80 per cent of the former have on occasion purchased tires and tubes, and that from 50 to 60 per cent have purchased highway paint, while virtually all of them have secured highway patrol flags in this manner. On the other hand, requests for information on the extent to which the facilities were used in one section of the state indicated that one of the major counties made no use of it whatsoever.

While exact information is not available, it is estimated that counties buying through the state saved about 10 per cent on tires and tubes, fifty cents a gallon on highway paint, and ten cents each on highway flags.

The reasons why the state service has not expanded in Wisconsin are commonplace. There is the desire to protect home-town industry, a lack of information on the available facilities of the state, the ability of the municipality to approximate the state price in its contracts, the small number of significant purchases, and the desire to cater to the idiosyncrasies of department heads in the selection of brands. In Wisconsin as elsewhere an aggressive attitude has never been assumed by the state.

PENNSYLVANIA ENTERS THE PICTURE

The most recent development in establishing a relationship between the state and municipal purchasing agencies has been in Pennsylvania. The *American City* reports that "under laws passed and

made effective this year, Quaker State cities, counties, boroughs, and townships may turn to the newly established State Department of Property and Supplies for prices and other information about the commodities they must buy, the Governmental Research Association reports. The new state purchasing department hopes to be able to negotiate contracts with the vendors supplying the state which will permit municipalities to secure commodities at the same prices paid by the state."⁷

Attempts to secure additional information have brought conflicting reports. While state officials indicate that no arrangements exist for providing the information, although occasionally requests are made and answered, a study of the session laws of 1937 reveals that provisions exist for such an arrangement.⁸

The assumption is that the municipality is eligible to receive the proffered information if it will make the request. The remaining portions of the scheme are probably a hope rather than a realization. It seems evident that the arrangement has not yet become effective, and that no information is yet available.

Other states like Alabama, California, Kansas, Nebraska, and New York have and are demonstrating some interest in state-municipal purchasing, but to little avail. However, the Irish Free State has not only adopted the plan but apparently finds it workable.⁹

In the American states attempting state coöperation in the field of municipal buying there is much to be done. Although savings in many instances are possible, the plan has not met with great enthusiasm. Many motives of an intangible nature may be found to

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⁷"Improved Municipal Administration," *The American City*, Jan. 1938, p. 102.

⁸*Pennsylvania Laws of 1937*, sec. 2403 (f).

⁹"Coöperative Purchasing in the Irish Free State," *NATIONAL MUNICIPAL REVIEW*, May 1938, pp. 254-260.

Recreation to the Fore in

American Cities

By

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Facilities for public recreation have grown markedly in many cities during recent years as American people become increasingly recreation-conscious.

THE total expenditure of the American people for recreation was computed at over a billion dollars in 1909 and nearly four and a half billions in 1935.¹ The great bulk of this outlay was for what might strictly be called passive amusement. Yet the types of leisure activity that involve participation have gained on those requiring only watching, listening, and sitting. As this appetite for participation has increased, demand for municipal recreation facilities and activities has mounted.

The following brief review attempts to show how much municipal recreation service has expanded in recent years and the trends in that expansion. The subject has been developed under the following topics: areas, facilities, activities, personnel, management, and expenditures.

RECREATION AREAS

A total of 389,000 acres of park and recreation space in 15,300 areas was reported by 1,216 communities of 2,500 population or over in 1935.² In 1925 only 245,627 acres were recorded. In 665 identical cities, there was a 49 per cent expansion of acreage in this ten-

year period. The most marked growth, 114 per cent, was in cities of from 2,500 to 5,000 population. Park expansion did not come to a halt with the onset of the depression but it was much greater between 1925 and 1930 than between 1930 and 1935.

Using one acre of parks to every hundred of population as a standard, it becomes apparent that most communities fall short of the goal. The average number of persons per acre of parks in 1,068 cities was 368. In 268 selected cities, however, each of which ranked in the highest 25 per cent in its respective population group, the number of persons per acre actually averaged 641

Yet many of the cities boasting large park acreage have much of it outside their boundary lines. These "out-of-the-city" parks, in fact, now comprise one-third of all municipal park lands. Twenty California cities report such parks. Illinois has twenty, Texas eighteen, and Pennsylvania seventeen. The largest of these parks is the 14,640-acre area owned by Phoenix, Arizona; Denver has the second largest, 12,747 acres. These outlying properties offer hiking, camping, nature study, water sports, winter sports, picnicking, and fishing within easy reach of the homes of many people.

The most common type of urban recreation area is the small neighborhood park. Some of these parks, devoid of facilities for active recreation and situated in populous neighborhoods, have been allowed to deteriorate into unattractive roosting places for ne'er-dowells. They might well be rebuilt in part at least as playgrounds.

Studies in 1925 and again in 1930 showed that few cities were providing sufficient playgrounds and playfields,

¹Cleveland Trust Company *Business Bulletin*, October 15, 1937.

²Park statistics on this and following pages are taken from *Municipal and County Parks*, 1935, U. S. Department of the Interior.

both of which type of areas are needed in each neighborhood or district, and 1935 revealed that little progress had been made in correcting this lack. Such areas comprise only 5 per cent of the total park acreage reported in contrast with the 20 per cent that is considered a desirable minimum.

FACILITIES

While the depression slowed up the expansion of recreation areas, it stimulated their development, for the federal government placed small armies of emergency workers on construction and development projects. For example, Robert Moses, New York City park commissioner, had seventy thousand relief workers with whom he rehabilitated a badly run down park system and increased playgrounds from 119 to 274, swimming pools from two to twelve, golf courses from seven to ten, and tennis courts from 355 to 567, along with many other improvements.

In 1935 at least 50 per cent more cities reported several facilities than reported them ten years previously. These facilities were bathing beaches, golf courses, ice skating rinks, outdoor theatres, ski jumps, swimming pools, tennis courts, toboggan slides, and wading pools. Wading pools quadrupled in the decade. Baseball diamonds and golf courses nearly doubled. Recreation buildings doubled from 1925 to 1930, but more than doubled again from 1930 to 1935, totalling 1,045 in the latter year. Tourist camps declined in number.

The following list shows the numbers of major facilities located both in park and non-park areas as reported to date:

Municipal Recreation Facilities

Tennis courts	11,031
Children's playgrounds	9,618
Horseshoe courts	8,482
Softball diamonds	8,384
Fireplaces	5,069
Baseball diamonds	3,978
Indoor recreation centers	3,854
Picnic areas	2,808
Ice skating areas	2,535

Handball courts	1,600
Shuffleboard courts	1,541
Athletic fields	1,445
Wading pools	1,402
Recreation buildings	1,380
Swimming pools	1,163
Bathing beaches	569
Golf courses	378
Archery ranges	326
Bowling greens	165
Nature trails	310
Dance pavilions	236

The list shows not only the sheer numbers of facilities but also their diversity, a significant aspect of municipal recreation development. The varied character of modern recreation systems is well illustrated in Chicago's array of park facilities which in addition to all the features listed above includes bath houses, cricket fields, a bicycle bowl, boating lagoons, bridle paths, casting pools, gymnasiums, boccie courts, model yacht basins, roque courts, and rifle ranges.

Many facilities used for recreation are school-controlled. Forty-three per cent of all playgrounds operated under leadership in 1937 were on school property and forty-two of all athletic fields reported were school-owned. Indoor facilities also were largely school property as 86 per cent of all indoor pools and two-thirds of the auditoriums, gymnasiums, and other indoor recreation centers reported were in school buildings.

ACTIVITIES

Along with the rapid increase in physical activities offered in municipal recreation has come a steady increase in crafts, music, and drama. In public parks the most notable advance from 1930 to 1935 was made in nature activities. In this period the number of cities reporting nature activities grew from 59 to 142. In 754-acre Oglebay Park, Wheeling, West Virginia—a very good example of nature work—are nature trails, a museum, and a nature school. Field trips, illustrated lectures, camp nature activities, science hobby clubs, "telescope nights," tree-planting pro-

grams, nature collections, public camp fires, nature exhibits, and the preparation of publications on nature are some of the features of the program. Few other cities promote the study of nature on this scale, but the idea is spreading.

Illustrative of the range of activities in progressive recreation systems in small cities is the program reported in Greenwich, Connecticut. In 1937 the recreation board there conducted handcraft, thirteen types of athletics, two types of dancing, one type of music, five types of drama, camping, gardening, picnicking, swimming, three winter sports, and six miscellaneous activities. The number of individual participants ranged from fifteen in puppetry to 4,075 in social dancing.

The country round, physical activities still lead in popularity. Softball, recorded by 768 cities last year, appears to be the most widespread. Others represented in five hundred to seven hundred cities are tennis, baseball, horseshoes, volley ball, children's handcraft, track and field events, and picnicking. In terms of different individual participants reported, swimming leads with 875,864; community-wide celebrations are second, picnicking third, baseball fourth, and softball fifth. Beaches and outdoor pools in 1937 recorded a total participation of nearly 100,000,000 persons. Picnicking and other informal uses of park areas have increased greatly in those cities which provide fire places, drinking water, and other conveniences.

Public participation in recreation depends on a variety of factors including popular training in recreation skills received in school or through recreation departments, leadership and organizing service, charges and fees, custom, the shift in weekend and evening habits due to the automobile and the five-day work week, current recreation fads, and the impact of commercial promotion as well as available facilities. A close study of

these factors in every city might drastically alter local recreation policies.

PERSONNEL

The *Year Book* of the National Recreation Association reported 22,160 municipally-paid supervisors and leaders in public recreation in eight hundred cities in 1937. This is the largest total since 1932. Contrary to pre-depression ratios, 56 per cent of this personnel were men. The 1937 increase in personnel was two thousand over that of 1936, which in turn had been fifteen hundred over the 1935 figure. These increases reflected in part the rebuilding of staffs for regular recreation service and in part an increase of cities conducting public recreation activities. More significant than the total personnel is the number of year-round full-time workers. Of these, 3,067 were reported in 1937. This is the largest number on record. These 3,067 workers paid from local funds constitute the professional personnel engaged in municipal recreation today.

In 1936 some seven hundred cities which reported a total of 20,052 leaders paid from local funds, also reported 26,498 emergency workers. In 1937 the emergency personnel dropped 31 per cent to 18,253, a figure nearly four thousand less than the personnel paid from regular funds. Even with this shift in ratios, it is obvious that much municipal recreation service today depends on federal subsidy.

Dependent as municipal recreation became during the depression on emergency funds for supplementary leaders, it grew even more dependent on that support for construction, development, and even maintenance workers in parks. In 1935, to choose a year for fair comparison, while there were seven emergency recreation leaders to six regular recreation leaders, there were at least fifteen or more emergency park workers to every

six regular workers.³ The question is, as federal subsidies dry up, can the present expanded plant and program be operated with a shrunken "regular" personnel? Will public demand be strong enough to increase local appropriations sufficiently to make up the threatened shrinkage in programs?

In 1937 a professional organization of recreation workers was created. This organization will endeavor to raise standards of recreation service and in general to strengthen and protect public recreation.

Because of the growing requirements of recreation service, training has become a major issue. In response to the evident need, the National Recreation Association conducted a professional school in New York City from 1926 to 1935 and later a series of institutes in major cities. A large number of the school's graduates are now in important positions in municipal recreation. The association also has developed an apprentice system under which young men spend a year of work in recreation departments under stipends from the association.

Municipal recreation agencies now give much attention to training both paid and volunteer workers. In 1936 728 institutes were held in 221 cities.

Many colleges offer courses of training for recreation leaders, most of them in connection with physical education departments. A movement is now under way to have them set up unit recreation courses correlating the offerings of the several university departments that can contribute to more well rounded training.

MANAGING AUTHORITIES⁴

While the clash of theories over the

administration of municipal recreation continues, individual communities realistically adopt the plan that promises earliest solution of their recreation needs.

The following table shows what agencies now manage recreation.

<i>Type of managing authority</i>	<i>Total agencies</i>	<i>Year-round agencies</i>
Authorities administering recreation as a separate function	255	151
Authorities administering recreation in conjunction with park service	282	79
Authorities administering recreation in conjunction with school service	179	25
Others	211	34
Total	927	289

It is apparent that, numerically, park departments maintain a small margin over separate recreation departments and a very large margin over schools as administering agencies when both year-round and seasonal programs are lumped together. But among the agencies giving year-round service, the separate departments are twice as numerous as the park departments and six times as numerous as school departments. And it is the year-round agencies that carry the greater part of organized recreation. Though less than a third of the total agencies, they operate more than one-half the playgrounds, 49 per cent of the indoor recreation centers, and 70 per cent of the recreation buildings. They employ 65 per cent of the workers and expend 75 per cent of the funds put out for recreation leadership.

Three analyses of trends in administration covering the periods 1923 to 1933, 1928 to 1936, and 1928 to 1937 yield these conclusions:

(1) Municipalities tend to regard year-round recreation service as a distinct municipal function for which they are setting up separate recreation departments, in most cases under boards or commissions.

(2) The greatest recreation progress

³Nine hundred and fifty-four cities reported 41,053 park workers paid from regular funds while 388 cities reported 102,761 emergency workers.

⁴This section is based largely on a chapter "Municipal Organization for Recreation" to appear in the forthcoming volume, *Introduction to Municipal Recreation*, to be issued by the National Recreation Association.

from 1923 to 1933 was made in cities where recreation was administered by separate boards.

(3) During the depression years recreation service was most fully maintained in cities with recreation boards.

(4) Since 1928 recreation has won better public support when administered as a separate function.

Whatever may be said about trends in administration, the preeminent fact about municipal recreation is that it must be a coöperative enterprise. Efficient recreation service requires close co-operation between city plan commissions, parks, schools, recreation departments, and other agencies, both in acquiring and utilizing facilities. An inquiry⁵ in December 1937 revealed that in only 46 of 124 cities reporting was there co-operation between school boards and municipal governments in acquiring new areas and buildings. However, 80 per cent of 135 non-school recreation agencies reported the use of indoor school properties and 85 per cent the use of outdoor school property. In nearly two-thirds of the instances reported, the schools supplied janitor service and other expense necessary to open school buildings for recreation. There is a liberal use of outdoor park facilities by schools and other agencies but only a moderate use of park indoor facilities.

FINANCING RECREATION

Expenditures for municipal recreation rose steadily from 1922 to 1931, the first of three years of heavy losses. Early in 1934, cities began to rebuild budgets and since then the curve of outlays has steadily climbed upward. Referendum votes in Los Angeles, Milwaukee, Decatur, Illinois, and elsewhere showed that voters were ready to increase tax costs for good recreation programs. Depression experience showed that departments with separate tax levies suffered less than other

agencies depending on annual appropriations.

In 1937 expenditures from regular local sources were \$25,794,537, a million more than in 1936. For the first time in several years this sum also topped the amount of emergency funds expended in cities having regular recreation service, and it was the largest expenditure for recreation since 1932, though local budgets on the whole were still below predepression levels.

Emergency expenditures in cities having also regular recreation service fell off ten millions in 1937 to \$22,139,243, a 31 per cent drop. Even with this decline, however, the federal government was still putting more money into local leadership than were the cities themselves.

For 1935, 1936, and 1937 municipal and county sources recorded 82, 86, and 81 per cent respectively of the funds for municipal recreation. Fees and charges brought in respectively 14, 10, and 15 per cent. Private funds came to 4, 4, and 4 per cent.

Striking changes occurred in the sources of funds for park departments from 1930 to 1935. From 1926 to 1930, 148 cities voted bond issues for parks totalling \$153,261,621. In 1930, 28 per cent of park receipts came from that source. In 1931-1935, however, seventy-eight cities voted \$18,193,940 of bonds for park purposes. In the latter year only 2 per cent of park income was yielded by bond issues. In 1930, in 524 cities, 39 per cent of the total park funds came from appropriations, while five years later, 717 cities reported that 68 per cent of their funds came from that source.

Golf courses, swimming pools, bathing beaches, boat houses, and camping centers are the facilities for which recreation and park departments usually make charges. In 1935 only boat houses yielded a net profit. Income and costs

⁵By the National Recreation Association.

City Planning Personnel—

A Critical Analysis

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A recent survey discloses that city planning is finding a recognized place in government, but despite the fact that its goals are fairly well defined, qualifications and duties of technical personnel are disorganized and lacking in uniformity.

PUBLIC personnel agencies apparently have not yet recognized the permanence and growing importance of city planning as a municipal function. Certainly it is time to make some effort to reach a uniform system of classification for the technical employees of the many city plan commissions and departments throughout the United States.

The first city planning commission was created in Hartford in 1907. In 1931 Professor Karl Lohmann, of the University of Illinois, estimated the number as "some seven hundred or more." The National Resources Committee, in its report on *The Status of City and County Planning in the United States*, placed the number of city planning boards at 1,073 for 1937, with an additional 128 city zoning boards. Although few cities employ regular staffs, this remarkable growth in number of active agencies indicates the increasing importance of the planning field. Of course, many towns receive the aid of the more than five hundred county planning and zoning boards, state planning commissions, regional and special agencies, and federal divisions such as the FHA. Others have hired consultants to make necessary surveys and prepare plans. However, the same general duties are

performed and the same qualifications are necessary for employees of consultants and the technical divisions of co-operating agencies as are needed to guarantee high grade work by the staff of the city planning board.

A recent survey of planning personnel, conducted by the author and sponsored by the University of Michigan and the American Society of Planning Officials, has discovered little or no uniformity in qualifications, duties, titles, and salaries of personnel in active planning agencies in thirty-seven cities, seventeen counties, twenty-three states, and several other organizations and divisions of government. Information received, however, has supported the belief that planning will continue to fill an important place in American government, and that planning agencies are anxious to develop their personnel toward greater efficiency under scientific civil service principles.

Each planning board, each educational institution, up to this time, has held its own—usually a unique—opinion as to what should constitute planning, and as to what techniques are necessary. One of the most widely accepted definitions states that city planning is the effort to control, to guide, and to accomplish the physical development of towns and cities and thereby to provide for the people who are living and working in them the best possible environment. Many people, apparently, have arbitrarily assumed that a planning board may accomplish the ends, as stated in this definition, through individuals with four general functions and types of qualifications. First, there have been, and should continue to be, the board members, who must be persons with social and public interest, and in whom rests the duty of determining policy.

Second, the staff administrators, who direct the work of the office in accordance with the policies determined by the board, have been, in many instances, "administrators" in the strictest sense, with little or no training or practical experience in planning activity. Since planning does not follow principles of general business, however, the pure "administrator" is not enough—he must be a man with broad insight into planning problems and their solutions, as well as a man who possesses the ability to direct subordinates. Third, research personnel have frequently been chosen at random, with little attention given to training or experience. These men, to be effective, must necessarily have a highly developed research technique and training which would enable them to appreciate the aims and methods of planning. Fourth, draftsmen and designers have been recruited from the ranks of art school graduates and college graduates—and the unemployed—without requiring special knowledge of planning techniques.

MORE SPECIFIC TRAINING NEEDED

Few cities have recognized the fact that city planning is a specialized field; few colleges or universities offer any courses which train specifically for this field. The best preparation which a man can make to fit himself for proficiency in planning, at present, is a balanced college or university program including civil engineering, geography, architecture, landscape architecture, sociology, economics, political science, and, where possible, law. Optional education in architecture, landscape architecture, or civil engineering is insufficient to properly fit a man for a position as planner, whether he seeks a place in administration, on the research staff, or as a draftsman-designer. A specialized education in planning, or a program carefully and thoroughly correlated under a capable director in a recognized institu-

tion, should be a necessary prerequisite for positions in the specific field of planning.

The total number of employees of city planning commissions varies from thirty-one regular, with an additional 150 to 250 WPA workers, in one eastern city with a population of less than 700,000, down to one in the less active cities of the country. These thirty-one employees of the eastern city are each known by different titles—few of which indicate the actual duties performed by each man.

A recommended uniform system of titles, with varying salaries, training, experience, and duties, has been established as a result of the recent survey.

The director of a city planning department should be called a *city planner*—not an engineer, or any of a dozen other titles in use today. His duties are of a technical nature and require technical training and experience. He should be a man with proven ability, either in a responsible administrative position as *associate* or *junior city planner*, *director of city plan research*, or *city planning assistant* (of some type). He should have held one of these positions for a number of years, or, if he has the advantage of an advanced degree in planning from some recognized institution, less administrative experience in the field would be necessary. His salary should reflect his ability.

In very large communities, an *associate city planner*, and possibly also a *junior city planner*, may be necessary to assist in the administrative duties of the commission or department. Such men cannot be expected to have attained as much ability as the *city planner* himself, since their duties are less complex and their positions less responsible.

Salaries should correspond with abilities; and abilities and duties should determine titles. Thus, in a large city, we may find a *city planner*, with a salary

of \$7,000, who has had at least five years of practical experience in planning; there may also be an *associate city planner*, with a salary of \$5,000, who has had, perhaps, only three years experience, and a *junior city planner*, with a salary of \$2,400, who may be a recent college graduate with a major in planning.

In the medium-sized city, a man who possesses the training and experience necessary for an *associate city planner* in our larger city should be capable of holding the major city planning position. Let him be called an *associate city planner*, however, and let him be paid in accordance with the standard salary range and the duties, training, and experience implied.

STAFF FOR SMALL CITIES

In the small city, all administrative planning work may be accomplished by a *junior city planner*—a recent college graduate who has specialized in planning. Likewise, let him be called a *junior city planner*, and perform duties and receive a salary in accordance with the standard for that position. In both the small and medium-sized cities, however, the assistance of a broadly experienced city planning consultant may be necessary to supplement the staff work of the administrative employee on technical matters.

In most communities the administrative head should be able to supervise and direct research projects. In larger towns, however, it may be advisable to add to the staff a *director of city plan research*, who should have had extensive training and experience, particularly in matters of investigation of city planning problems. He should certainly be a university graduate, preferably one who has done graduate work, including worth while technical research in planning or some directly associated field. His experience should include some time in actual planning work, possibly as some type of *city planning assistant*.

In most towns it would be necessary to employ research technicians in various phases of planning activity. Such an employee should be known as a *city planning assistant (land use)*, *city planning assistant (recreation)*, etc. Subjects may be inserted to indicate the specific duties of each assistant, and training and experience should be determined in accordance with each subject. For instance, a *city planning assistant (land use)* should be trained particularly in geography and civil engineering; a *city planning assistant (recreation)* should be trained in landscape architecture and physical education. Proper training suggests itself for each of the title subjects—housing, traffic and transportation, etc. All of these positions should require a basic knowledge and understanding of the goals and methods of city planning; all should require ability to conduct research and to organize data. Further distinction of position, training, and experience may be made with the use of prefixes—*senior*, (no prefix for middle rank), and *junior*. Salaries should be established, of course, in accordance with the amount of training and experience required for the standard in each degree of position.

City planning commissions in all cities, large and small, need designing and drafting. If the design is not produced by a special consultant, and if the drafting is not solely a duty of the *associate* or *junior city planner*, a *city planning draftsman-designer* is an essential member of the staff. Prefixes—*senior*, (no prefix for middle rank), and *junior*—may be used to denote rank and proficiency. The employee holding this title should be a graduate of a recognized college or university, specialized in city plan design or in architectural and landscape design, but with basic training in city planning. Experience should not be a requirement for the junior rank, but should be a definite prerequisite for the more advanced degrees.

Larger communities will find need for additional draftsmen, who need not be able to produce city plan design, but who should be proficient draftsmen, should have an understanding of the principles of design and city planning, and should be able to portray data in graphic and pictorial form. The *city planning draftsman* should be a graduate of a recognized college or art school, with training in architectural drafting particularly. Here, again, prefixes may be used to denote proficiency, experience, and rank.

Although appointments in many cities have been made solely as political rewards, the few examinations which have been given have been, for the most part, very poor. They have shown little relation to the training and experience required, and have shown even less to the specific duties to be performed. Examinations should certainly be based upon the problems to be encountered in the position. Prerequisite experience, training, and personal qualifications should be such as to insure, in so far as possible, that the individual possessing them may reach a logical approach to, and solution of, those problems.

Finally, the survey discovered a wide variation in the relationship of the planning commission to other agencies, and in the relationship of the commission to its staff. Unfortunately, no major rec-

ommendations on these matters are set forth in the report of the survey. One can only say that careful consideration should be given to the relationship which should exist between the planning staff and other city departments—for instance, public works. Often the city planning department requests information from another department of the city government, when that department may not be the one best qualified to supply such information. Other departments of local government often request information from the city planning department, although that department is not in a position to produce such data.

Although hindered by many of the rules and regulations of the WPA, city planning commissions—and many city departments—should make a special effort to provide more satisfactory supervision for WPA survey projects. The greatest possible value apparently is not obtained with present careless and untrained supervision in many localities. The WPA can be of untold value to planning throughout the country, but adequate supervision is essential.

And, in all cases, the members of the commission and the staff employees must remember that the duty of the commission is to determine policy, and the duty of the staff to carry out that policy and produce a *plan*.

JOHN RANDOLPH HAYNES AND HIS WORK FOR DIRECT GOVERNMENT

(Continued from Page 440)

With a staff supplanting the individual free-lancing of the founder, the direct government movement has evolved into the third and present stage of its development. However interesting may be

the mechanics by which the ideas of direct government are to be perpetuated in this state, the dominant note that will continue will be the remembrance of the personality of the leader who headed the program for so long. The processes that John Randolph Haynes guided to development are now established institutions of political life.

Arkansas Tries the Merit System

Year's trial in first southern state to accept an improved civil service plan shows significant accomplishments and more efficient state administration.

By ESTAL E. SPARLIN

University of Arkansas

THE south's first-born state civil service baby completed its first year in Arkansas July 1st. The director's annual report to the commission easily convinces the careful reader that Dixie's first experiment with the merit system in state personnel work has had a healthy first year, learned to vocalize for itself, met its critics four-square, and gone a long way toward establishing a permanent place in the sun for itself.

Due largely to the efforts of Governor Carl Bailey, the 1937 session of the General Assembly passed a law creating the Arkansas Civil Service Commission, the first of its kind south of the Mason and Dixon line. This commission, appointed by the governor, is semi-independent and not vulnerable to political maneuvering. It appoints a state personnel director who carries on the administrative work, subject only to policy-determination by the commission. In many respects the law is an excellent one.

The commission's first important act was to appoint Dr. Kenneth O. Warner as state personnel director. No little amount of the success of Arkansas' merit system during its first year can be traced directly to the untiring efforts of Dr. Warner. A few obnoxious politicians, attempting to abolish the system in the spring of 1938, were unanimous in their praise for the director, despite their plain contrariness in citing every frivolous detail that came to

their attention in an effort to discredit the law. It is to be regretted that Dr. Warner has found it necessary to resign after a year of service.

As the director's annual report states, the attack on Arkansas' personnel problems was carried on during the year along a three-fold front, all having the common objective—a workable and effective civil service.

First, it was the task of the Civil Service Commission to lay down general policies having as their primary purposes the setting up of sound working procedures, systematic records, and the establishment of a going organization. Practically no accounting of personnel performance and efficiency had been required and made before July 1, 1937. There was lacking a uniform method of controlling hours and conditions of work, leaves, vacations, methods of selecting applicants on a basis of prospective performance, records of service, and all of the other numerous but important functions carried on by a personnel agency.

Second, in order to better lay out a program the division had to make a personnel audit. The immediate objectives of the attack on this front were to discover what employees were doing and how the various positions were similar and how they differed. This audit or inventory was essential to the foundation of the civil service structure.

Third, the division was obliged to make available a reservoir of qualified personnel sufficient to meet department demands both for newly created positions and for necessary replacements.

During the first half of the fiscal year, considerable time and attention was devoted to a recruiting program through competitive examinations. Although the civil service law provided that incumbent employees would be "blanketed-in" without examination,

the fact that appropriations for additional employees in a number of state agencies became effective on the same day as did the civil service law caused a number of vacancies subject to civil service appointment to come into being on the first day of the personnel division's existence—a burden which was substantially increased by the decision of the governor and commissioner of public welfare to subject all state and county welfare positions to civil service appointment.

Although the civil service law did not become effective until July 1, 1937, and the civil service rules were not adopted until July 8, 1937, examinations for nine classes of positions, including both clerical and social service grades, were held at principal points throughout the state on July 28th and 29th. During the time intervening between July 9th and July 27th, examinations were announced, application forms issued to all who requested them, the four thousand applications reviewed for conformance with minimum requirements, the applicants notified and instructed in their duties, and the nine different sets of tests designed, mimeographed, and distributed.

The tremendous speed generated during the first three weeks was slackened very little throughout the year. At the end of the first fiscal year the personnel division had received 11,583 applications from 9,111 examinees. On the basis of this examining program, eligible lists were prepared containing 4,331 names for fifty different classes of positions.

From these eligible lists, 310 persons were appointed to thirty-seven classes of positions in twenty-six different state departments.

The attention of the personnel division was not devoted entirely to the examining program. Under authority of the law, the civil service rules per-

mit any appointing authority, for disciplinary or any other just cause, to suspend a subordinate for a reasonable period not exceeding thirty days without pay. During the fiscal year this authority was exercised in about twenty different instances, and seems to offer a type of disciplinary measure that gets results but affords a measure of relief from the harshness of outright firing.

During the year, the commission also laid the foundation for in-service training of state employees. Several hundred hospital attendants in two state units held weekly meetings with a staff of instructors in a systematic training course designed to familiarize them with their duties and to improve their general effectiveness. As the year came to an end, plans were being laid for other in-service training courses for the various departments. Most progress has been made in outlining the program for employees in the State Highway Department.

The outlook for the future of the merit system in Arkansas is not entirely free of discouraging elements. An attempt was made at the 1938 special session of the legislature to eliminate the appropriation for the commission. Meager appropriations, a consequently curtailed program, charges of political activity in the primary campaign, and personnel "blanketed-in" at the beginning, have all caused their difficulties. Their ugly heads are certain to pop up again in the coming session of the state legislature. The re-election of Governor Bailey, however, and merit system support by many leading citizens adds an encouraging note to the possibilities for the future.

Arkansas' significant accomplishments in improved civil servants and more efficient state administration during the first year of civil service promises to lead the south toward a goal of better government.

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

New State Constitution for New York to be Submitted to Voters.¹—On August 26th the New York State Constitutional Convention concluded its labors—begun on April 5th—and voted to submit its proposals to the voters of the state at the general election on November 8th.

The revised constitution will not be submitted as a whole but in nine separate sections. This was the result of great pressure brought upon the members of the convention, who were inclined, according to early reports, to submit the amended document in its entirety.

Following are the divisions into which the proposals will be divided.

1. All the proposed amendments not included in the following eight questions.

2. *Reapportionment.* Increase of the state senate from fifty-one to fifty-three members and the assembly from 150 to 159 members, apportioned on the basis of one assemblyman to each county and an additional assemblyman for each 36,000 votes cast in the 1936 election for governor. In this amendment the terms of senators are increased from two to four years.

3. *Grade Crossings.* Elimination of the present constitutional provision requiring railroads to pay 50 per cent of the cost of grade-crossing eliminations; provision that the state shall pay in the first instance but may recover from the railroad the entire cost of railroad improvements not essential to the elimination.

4. *Housing.* Permission for the state and its

local governments to use their credit to finance low-cost housing and slum-clearance projects, but providing protection to real estate from further taxation by specifying that taxes to meet amortization charges must be included in legislation authorizing loans. Authorization of a \$300,000,000 state bond issue for loans by the state for housing purposes and a 2 per cent addition to the existing debt limit of cities for housing purposes.

5. *Judiciary.* Creation of a new judicial district and judicial review of administrative acts.

6. *Labor.* Provision that labor of human beings is not a commodity; guarantee to labor of the right to organize and bargain collectively; fixing of an eight-hour day, five-day week, and prevailing wage rates on all public contracts.

7. *Proportional Representation.*² This system of election, used now in New York City, banned for all elections throughout the state.

8. *Social Welfare.* Establishment of a social welfare system for the state by permission to the legislature to set up health, unemployment, and old-age insurance and contribute state credit thereto.

9. *Transit.* Granting of permission to New York City to issue \$315,000,000 in bonds in excess of its debt limit for the purpose of acquiring the transit systems of the local railway companies, opening the way for transit unification.

Among the more important proposals included in the first "catch-all" question are: limitation of the bill of rights in that the people are given guarantee against *unreasonable* interception of telephone and telegraphic communication; various changes and improvements in the state's financial set-up; permissive use of permanent registration and personal signa-

¹See also editorial, page 432.

²See also pages 431 and 466.

ture requirement for voting anywhere in the state; some extension of home rule for cities, counties, and villages; and new provisions on municipal finance, including encouragement to cities to go on a "pay-as-you-go" basis.

*

Interstate Coöperation Commissions for Thirty-seven States.—With the passage and signing of a bill to establish an official commission on interstate coöperation for Louisiana, the Council of State Governments has announced that thirty-seven of the forty-eight states are now equipped with machinery for solving interstate problems.

Louisiana's passage of the bill in current regular session leaves Texas the only one of the southern states lacking a coöperation commission. California, the other state which set up machinery this year, did so by resolution in special legislative session, which must be repeated next year to insure permanence of the commission.

The eleven states now without this legal implement for attacking interstate problems are Arizona, Idaho, Nevada, Utah, and Washington in the west; Kansas, Missouri, North Dakota, and Texas in the middle west; and Delaware and Maine on the east coast. The thirty-seven agencies already set up have been established since 1935, when the Council of State Governments instituted the movement.

The commissions have furthered interstate compacts and reciprocal agreements on subjects ranging from flood and river control to highway regulation and fish conservation. In this they are using a device that dates back more than one hundred years, when interstate agreements functioned in boundary settlements.

Recent United States Supreme Court approval of the La Plata water compact between Colorado and New Mexico refocused attention on the interstate compact as a modern device for joint action by states to solve their common problems.

Cross-border problems of the two states most recently joining the interstate coöperation movement include shrimp fisheries regulation, cotton production and control, and oil production in Louisiana; motor vehicle regulation, oil production, and transient relief in California.

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Council-Manager Developments.—Cambridge, Massachusetts, (population 113,643) is

taking advantage of the statute recently passed by the legislature permitting cities to adopt the manager plan and proportional representation, and has appointed a committee headed by Dean James M. Landis of the Harvard Law School to promote the plan. The committee secured nearly 11,000 signatures to its petition requesting that a referendum be held in November, although only 5,080 were needed. In Northampton (24,381) in the same state a committee headed by retired high school principal Frederic E. Plummer has already secured the requisite number of signatures for a referendum. Other cities in Massachusetts considering the plan include Quincy (71,983) and Waltham (39,247), where petitions have been filed, Brockton (63,797), New Bedford (112,597), and Somerville (103,908). In the latter city President Leo B. Havican of the board of aldermen has announced that he will appoint a committee of eight representative citizens to study the plan.¹

Schenectady, New York, (95,692) will vote November 8th on an amendment to its manager charter to include proportional representation for the election of the city council.

The Philadelphia Charter Commission, appointed by Governor Earle and the Pennsylvania legislature some fifteen months ago, has just made public its final report. The new charter which it proposes for Philadelphia includes the city manager plan of government with a council of eleven members elected from the city at large by proportional representation. It also provides for coördination of the city and county governments, creates ten administrative departments under which the work of various more or less independent boards and commission would be integrated, and a planning board. The new provisions for a department of finance are intended to rectify some of the financial abuses which have grown up within the city, including the use of mandamuses for the collection of money from the city, deficiency bills, and running deficits.

Houston, Texas, (292,352) will vote on October 3rd on twenty-nine amendments to its city charter! Included are the amendments which the charter commission, appointed by the city council, recently submitted after some months of study. These amendments provide

¹For further information on Massachusetts cities see page 472.

for a somewhat modified manager plan of government. Other amendments, however, provide for the mayor and council plan (presented by a councilman) and the commission plan—which the city now has. Provision for the establishment of several new departments and commissions are also included, among them a department of finance and a city planning commission.

The movement to secure a manager charter for Providence, Rhode Island, (252,981) continues to gain momentum in that city. At a recent luncheon of the Charter League of Providence, the major provisions of the proposed charter on which it has been working for the past few years were made public. These provisions include a nine-man council elected at large by proportional representation and a manager as administrative head of the city's government. The charter also makes provision for adequate budget procedure, an independent audit, a central purchasing department, a city planning commission, and other much needed improvements. A citizens' committee of twenty-four was announced at the luncheon which was attended by more than a hundred representative business and professional leaders and officers and members of civic groups and women's clubs.

Vancouver, B. C., (246,593) is much interested in the manager plan. A petition signed by 5,900 voters, asking for a plebiscite on the question, has been submitted to the council. The plan set forth in the petition calls for an unpaid council of forty-eight members which would appoint a city manager for administration of the city's affairs. The council has made an unofficial counter-proposal—a "management committee" composed of the city comptroller, corporation counsel, and city engineer, which would be charged with administration and control of all civic departments.

Waterbury, Connecticut, (99,902) has opened a campaign for the adoption of the manager plan. Howard P. Jones, secretary of the National Municipal League, spoke at the first meeting. A new charter would have to be submitted to the 1939 general assembly, followed by a local referendum.

The borough council of Tarentum has voted to install the manager plan in that borough.

The county board of Los Angeles, California, adopted a resolution on August 3rd providing for the appointment of a chief administrative

officer to supervise and control all departments except those of the sheriff, assessor, district attorney, and civil service, but with appointive power remaining in the board.²

The *Herald* of Albany, Georgia, reports that the Grady County, Georgia, Democratic executive committee has authorized a referendum in connection with the September 14th primary on the manager form of government for that county.

San Angelo, Texas, (25,308) on July 8th, by popular vote of about two to one, defeated a series of proposed charter amendments to replace manager government by a mayor and five ward councilmen.

Wheeling, West Virginia, (61,659) on July 28th defeated an attempt to change its city manager-proportional representation charter by the election of a new charter commission hostile to the present plan.³

Forsyth, Georgia, on July 14th, by a vote of 115 to 61, defeated a council-manager proposal.

According to the *Oklahoma City Oklahoman*, certain local groups are sponsoring a move to abandon the manager plan, but approximately 90 per cent of the labor group went on record as opposed to such a move.

The Minneapolis Charter Union is advocating a council-manager-P. R. charter and is asking the charter commission to submit such a charter to popular vote this fall.

A commission has been formed in Jackson, Michigan, (55,187) to undertake the drafting of a new charter.

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Montreal Metropolitan Commission.—The retirement of E. T. Sampson as secretary of the Montreal Metropolitan Commission makes it a fitting occasion not only to refer appreciatively to his work in that connection, but to refer to the excellent work which that administrative body, which was largely the conception of his own brain, has done since its establishment in 1921. Created to administer the finances of three bankrupt towns and to supervise the finances of twelve other municipalities adjacent to the city of Montreal, the commission has been remarkably successful, both in bettering the financial position of the delinquents and in maintaining the credit of all the municipalities under its control

²See also page 461.

³See also page 470.

throughout the period of depression. The success of the Montreal commission has been due in large measure to the fine coöperative spirit of the delegates of its member municipalities, who, realizing that Mr. Sampson was handling a delicate job in a masterful manner, got right behind him. It was a case of a representative body having the fullest confidence in its principal officer and winning out.

What is of special interest regarding the Montreal Metropolitan Commission is that it is a new departure in metropolitan administration. In fact, with the exception of the Massachusetts Metropolitan Commission, it is the first experience in regional government on this continent. There are differences, it is true, in the setup of the two commissions, the principal one of which is that the Massachusetts body is appointed by the state and its capital expenditures are provided from government funds, whereas the Montreal body is composed of delegates appointed by its member municipalities, with an additional member appointed by the provincial government, and its securities are guaranteed by the total assessment values of the metropolitan district. As both bodies are providing a splendid public service to the community it is not necessary in this connection to suggest which is the best system.

During the whole of the period he served the Montreal Metropolitan Commission so efficiently, Mr. Sampson also carried on his duties as city clerk and treasurer of the city of Outremont—a position he has held for twenty-seven years, and which he still holds—his own council as a mark of appreciation raising his salary. Such appreciation will find an echo from his many friends in the United States as well as in Canada.

CLINTON ROGERS WOODRUFF

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Municipal Government Survey Makes Progress.—The Municipal Government Sub-project of the Federal Writers' Project (Works Progress Administration), which began in 1936 to collect full sets of the laws, rules, and regulations governing various cities throughout the country, has now received complete reports and documents from approximately 75 per cent of the 192 cities involved. In addition, partial reports have been received from all except twelve cities. Lack of reports from these is due mainly to the inability of state administrators to assign persons from the writers'

project to collect and forward the material, according to Dr. Henry G. Alsberg, director of the project.

All the reports are being filed for ready reference at the Bureau of the Census under the direction of Mrs. Louise H. Clickner of the Municipal Reference Service, of which Oliver C. Short, assistant to the director of the census, has charge.

Originally the Municipal Government Sub-project was proposed by the United States Conference of Mayors on a much more ambitious scale, it having been the intention not only to collect but also to analyze the documents received from the cities. The present project, however, has confined itself to the collection and forwarding of the documents.

*

North Carolina Municipal Government Study.—A state-wide WPA project for a survey of municipal government in North Carolina has been inaugurated, according to a report to Washington, D. C., headquarters of the Works Progress Administration by George W. Coan, Jr., WPA administrator for that state. Designed to provide employment for 130 needy unemployed, white-collar workers for a period of one year, Mr. Coan stated that the survey would be one of the most comprehensive studies of municipal government ever attempted anywhere. The survey will make a complete and detailed study of all phases of the government of every incorporated municipality in North Carolina. The results of the various studies will be placed in permanent files in the office of the North Carolina League of Municipalities at Raleigh. The all-inclusive compilation will be available to all cities and towns through their League of Municipalities.

Through Mayor Ben E. Douglas of Charlotte, president of the North Carolina League of Municipalities, arrangements were made for the league to furnish the administrative sponsorship of the project, although technically the survey is sponsored by the North Carolina Local Government Commission, of which Charles M. Johnson, state treasurer, is chairman.

Patrick Healey, Jr., executive secretary of the league, pointed out that the survey attracted great attention and interest in Washington where it was forwarded for the approval of President Roosevelt, whose approba-

tion it secured, and that in addition to the permanent file record, a group of nationally known authorities under the direction of the league will analyze, digest, and chart the information secured by the survey and, from the data obtained, prepare a comprehensive reference work that will serve as a guide book to municipal officials as to duties, responsibilities, methods, forms of government, and most of the other problems that daily confront them. They will also prepare, Mr. Healey said, a college text book and a high school text book based upon actual municipal government as practiced, in addition to many special publications and pamphlets of specific problems and phases of municipal government.

The survey will involve an outlay of more than \$165,000 of which WPA is furnishing \$118,000. Mr. Johnson said the Local Government Commission recognized the great need for and the tremendous importance of the survey; that it and most of the state departments, the University of North Carolina, and many other organizations are coöperating with the North Carolina League of Municipalities on the project.

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Teaneck Police Hold Pistol Tournament.

—According to information from Township Manager Paul A. Volcker of Teaneck, New Jersey, the police department of that township, with the coöperation of the township government and the *New York Daily Mirror*, conducted in August their seventh annual international police pistol tournament, an event which was started modestly by the police themselves and has grown to the extent of attracting more than one hundred pistol teams from all over the east.

*

Merit System for Postmasters Advances.—According to the Civil Service Assembly, a modified merit system for approximately 14,000 first-, second-, and third-class postmasters was established by legislative enactment when President Roosevelt signed the Ramspeck Bill (H.R. 1531) placing these postmasters within the competitive classified civil service while at the same time retaining Senate confirmation of their appointments. Hereafter, appointments of first-, second-, and third-class postmasters will be made by the President, by and with the advice and consent of the Senate, for indefinite terms, from among

the three highest names certified by the United States Civil Service Commission. One year's prior residence is required.

Present postmasters may continue in their positions until the end of their present terms. They do not automatically acquire a classified civil service status at the expiration of their terms. Such status is given them only if they are reappointed following the successful passage of a non-competitive examination to be administered by the commission. Unless new appointments are made of thus noncompetitively qualifying present incumbents, they will be made by promotions within the postal service or by open competitive examinations as provided in the civil service act and rules.

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Governmental Efficiency Appraisers.—

A course of eighteen months' duration, to train graduates in appraising the efficiency of city and county governments, will be instituted this month at the University of Denver under a grant of \$29,000, for the first year, by the Alfred P. Sloan Foundation of New York. The degree of master of science in government management will be awarded to those completing the course satisfactorily, and they will be expected to qualify as research assistants to citizen groups interested in lessening waste in local government and improving public welfare administration. Ten fellowships, ranging from \$900 to \$1,800, have been provided.

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Housing Authorities.—The number of county, municipal, or metropolitan housing authorities operating in the United States and its possessions was recently reported by the National Association of Housing Officials to be 171. Of the thirty-three states which have passed laws permitting local governments to establish housing authorities, twenty-nine have set up agencies for the development of low-rent housing projects. In all of the thirty-three states except Illinois and Montana local governments are permitted to grant subsidies in the form of tax exemptions or direct grants to housing organizations. Massachusetts recently amended its state law to permit municipal subsidies, thus enabling its housing authorities to comply with the financial requirements of the United States housing act, the law governing the national public housing program.

Coördination of Citizen Groups in Pittsburgh.—Under the leadership of the Pennsylvania Economy League and the Pittsburgh Chamber of Commerce a Council of Organizations has been formed in Pittsburgh to co-ordinate the activities of the various civic organizations and other citizen groups, and to foster coöperation between such groups and the municipal government. It has been found that a multiplicity of organizations, each with its own viewpoint, has heretofore made for confusion and ineffectiveness. Dr. James H. Greene, secretary-treasurer of the council, describes its formation, objectives, and activities in the July-August issue of *Your Dollar's Worth*, published by the Pennsylvania Economy League. He states, "the council was conceived as a clearing house through which all organizations would have an opportunity to adjust their differences before submitting recommendations to municipal officials and reap the greater benefit of being able to present a united front in support of such recommendations."

The council, since its organization in March of this year, has given particular attention to three matters: the bond issue involved in Mayor Scully's proposed construction program for Pittsburgh, to be financed from city and PWA funds; the proposals for more adequate recreation facilities for the city; and the planning of a by-pass highway.

*

International City Managers' Association's Silver Anniversary Conference.—More than 150 city managers from approximately twenty-five states, and an equal number of other municipal officials, are expected in Boston, September 26th to 29th, for the silver anniversary conference of the International City Managers' Association. The conference attendance will include city finance officers, clerks, mayors, and councilmen in addition to the managers.

*

National Recreation Congress.—The National Recreation Association will hold its national recreation congress in Pittsburgh, October 3rd to 7th, thus providing an occasion for professional and volunteer recreation leaders to benefit from the exchange of ideas looking toward a united recreation movement.

*

Newspaper Guild Commends League's Models for Basic Laws.—At the convention

of the American Newspaper Guild, organization of newspaper workers, in June, the following recommendation of the legislation committee was adopted:

"We recommend to local guilds the study of the model state constitution and model city charter proposed by the National Municipal League, including its provision for proportional representation in state and local governments. We believe that local guilds should consider the possible application of the League's recommendations to their own communities, as a definite and concrete means of breaking up corrupt political machines in league with the employers against labor."

*

New Home for North Carolina Institute of Government.—Contracts were signed on August 2nd for a four-story colonial structure facing the campus of the University of North Carolina, at Chapel Hill, to be the permanent home of the Institute of Government of that state. It will contain twenty rooms, including offices, assembly and exhibit rooms, and training school and club rooms, for public officials. It will also house the institute's collection of books, pamphlets, manuscripts, maps, charts, magazines, etc., which comprise a clearing house of information; and will be headquarters for the training courses that the institute offers for many groups of public officials.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Los Angeles County Adopts Modified Manager Plan.—On August 3, 1938, the Los Angeles County Board of Supervisors took action on what is generally conceded to be the most significant development in its organizational structure since the county charter was adopted in 1913. On that date the board made provision for the employment of a chief administrative officer under whom the responsibility for the operations of the county government will be placed.

The job of administering the affairs of Los Angeles County is no small task. There are more than fifty departments, and between 15,000 and 16,000 employees in the county organization. The annual budget approaches

\$80,000,000. The county government serves approximately 2,600,000 persons living within an area of 4,083 square miles.

Briefly summarized, the duties of the chief administrative officer consist of the following:

1. To exercise administrative supervision and control over all departments, services, institutions, and districts of the county, to coordinate their operations and to administer, enforce, and carry out the policies, rules, regulations, and ordinances of the board relating to the administration of county affairs;

2. To analyze and make recommendations in connection with departmental budgets;

3. To supervise all expenditures and purchases of the county government;

4. To coordinate the administration of all county services by having the authority to transfer personnel, equipment, machinery, furnishings, and supplies between departments;

5. To approve all purchase orders of \$1,000 or more and to approve all contracts for supplies, services, equipment, etc., before presentation to the board of supervisors;

6. To recommend to the board the creation or abolition of any positions in the county service.

The only county departments not placed entirely under the chief administrative officer are the sheriff, district attorney, and assessor, all of which are headed by elective officials, and the civil service commission, the members of which are appointed by the board of supervisors in accordance with existing provisions of the county charter. He is charged, however, with the duty of supervising and controlling the expenditures of these four departments.

The board of supervisors has appointed Colonel Wayne Allen, county purchasing agent, to the new position. He will take office on September 8, 1938. Colonel Allen has been purchasing agent for two years and is considered by all as a most desirable choice. While his experience before coming to the county has been in private and military fields, he has demonstrated his fitness to fill such an important position in public administration as the one just authorized.

It is the board's intent to retain Colonel Allen in his present capacity of purchasing agent, the salary of which is \$6,600 per year. The amount of \$3,400 has been added to his compensation in view of his additional duties, thus making a total annual salary of \$10,000.

While the matter of placing the newly created position and the administrative set-up under which its occupant is to operate in the county charter was given consideration, the county board decided to operate for at least one year before seeking the approval of the voters. In this way, it was believed that experience could be obtained which would be valuable in drafting a permanent set-up more closely allied to the council-manager form of government.

H. F. SCOVILLE, *Director*

Los Angeles County Department
of Budget and Research

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Georgia County to Hold Referendum on Manager Plan.—According to the Albany, Georgia, *Herald*, the Democratic executive committee of Grady County, Georgia, has authorized a referendum at the polls on September 14th giving the voters of the county an opportunity "to decide whether they wish to retain the present system of county government or whether they wish to inaugurate the county manager system."

"Already Grady countians," continues the *Herald*, "have departed from the conventional form of county government in Georgia by having the chairman of the county commission a full-time official with powers broader than is customary. That system has been in effect since June 1st and since it is, in essence, a modified form of county managership, a vote favorable to the county manager plan in the September referendum will call for another step along a path already partly explored."

*

Executive Secretary Chosen for Chesterfield County, Virginia.—The recent session of the general assembly of Virginia empowered the board of Chesterfield County to appoint by resolution an executive secretary to be accountable to it and to work under its direction. His general duties are to record all proceedings of the board, to make entries of all the board's resolutions and decisions on all questions concerning the raising of money, to sign all warrants issued by the board for the payment of money, to preserve and file all accounts and papers acted upon by the board with its action thereon, to make recommendations to the board concerning any office or department of the county government, to attend to the execution and enforcement of all lawful resolutions and orders of the board

and to see that all laws of the state required to be enforced through the board are faithfully executed, to make monthly reports to the board in regard to matters of administration and keep the board advised as to the financial condition of the county, to prepare a proposed annual budget, to audit all claims against the county except those required to be audited by the county school board, and to act as purchasing agent for the county.

The board has recently appointed Mr. William S. Coburn, who has been resident engineer for Chesterfield County for the State Highway Department, to the new position. It is intended that the duties of the new executive secretary will relieve the board of supervisors of the greater portion of the burdensome work it hereto has performed, thus enabling the board to act as a policy-forming body.

*

New Commission on County Government in Virginia.—Announcement has been made of the appointment by the governor of three new members and the reappointment of an old member to complete the roster of the Virginia Commission on County Government. The fifth member is a holdover from the old commission. It looked for a time as though the Virginia commission would be allowed to lapse but it now appears that it will be continued. This is encouraging because the commission has been instrumental in getting several constructive improvements in county government initiated in that state.

Virginia Municipal Review

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Town-Country Relations Discussed in Iowa.—The fourth annual Country Life Institute was held at Iowa State College June 20-21-22. The Country Life Institute was founded so that farmers and farmers' wives, public school teachers, college teachers, extension workers, editors, ministers, social workers and organization leaders, and, also, local government officials might gather together under nationally renowned leadership for the discussion of problems vital to the people of Iowa and the mid-west. The general theme of the Country Life Institute this year was town-country relationships. The institute was under the leadership of Dr. E. C. Lindeman, professor of philosophy, New York School of Social Work. The forenoons were devoted to general lectures by nationally prominent leaders

in the fields of social work, education, church work, public health, and local government. The afternoons were given over to sectional conferences in these respective fields, each tying in the problems in the particular fields on a town-country relationship basis. In each conference laymen with a community interest presented their experiences and reactions to programs being conducted in the respective fields as well as community leaders in those fields.

Of course, it was obvious that any discussion in these fields on town-country relations should sooner or later bring in government angles. But it was more particularly the conference on town-country relationships in local government, which was a feature of the institute for the first time this year, that gave primary consideration to such problems as the rural municipality, the administrative organization of county and township government, rural functional services, county consolidation, and abolition of the township.

Dr. Arthur W. Bromage not only added greatly to the inspirational leadership of the institute by delivering one of the main addresses of the mornings on "Town-Country Relationships in Local Government," but it was under his able guidance at the afternoon conferences for each of the three days that legislators, local government officials, students, taxpayers, and interested citizens presented their own experiences and problems in county, township, and school corporation government. And it was in this respect of interested citizen and local public official discussion and attempt at correlation and integration of community experiments and programs in education, public health, recreation, rural electrification, and other fields for the development of a more articulate governmental relationship of rural and town people of Iowa, that these civic-minded people did valuable and constructive thinking. Though the adoption of resolutions was not sought, conclusions were indicated at each of the conferences as to the part to be played, if any, by local government jurisdictions and the functions or services that might be developed for a more closely cemented community interest. In some instances the county, in many the school corporation, and in a few instances the township, was given as an example of a community with a "social watershed draining into one town."

Attendance at these sectional conferences may not only have resulted in a better understanding by the local public official of his governmental obligations, brought about a feeling of common interest of town and country people, but also, it must have brought enrichment to democratic institutions in Iowa in general.

H. C. Cook

Iowa State College

TAXATION AND FINANCE

Edited by Wade S. Smith

Arizona to Vote on Homestead Exemption.—Arizona voters will pass this fall on an initiative measure to amend the state constitution so as to exempt from all taxation up to \$5,000 market value of real property used as a bona fide home and the "necessary furnishings therein."

The text of the amendment, which would add a new section to article IX of the state constitution, provides that eligible property owners would file an affidavit with the city and county assessors to claim the exemption. Special benefit assessments would not be included in the exemption, and the text of the amendment makes no mention as to whether taxes to pay interest and principal on previously outstanding debt would be excepted. Courts in other states have generally held that service on debt outstanding at the time of such a measure's enactment is still payable from taxes on the exempted property.

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Seattle Faces Another Crisis.—Seattle, Washington, where over-all tax rate limitation has been conspicuously successful in reducing general property taxes, finds its head once more in the noose. A raid on city employees' pension funds and the hiking of water rates to milk that utility for a general fund contribution are all that stand between the city's need for \$1,450,000 for payrolls for the balance of the year and payless pay-days for city employees.

The basic cause of the city's difficulties has been noted in these columns before. The crux of the trouble is a forty-mill over-all tax rate limit, of which the city gets fifteen mills, with additional taxes possible to meet principal and interest on bonds outstanding prior to December 1934. The city's fifteen mills

for operations, together with the money squeezed out of business and taxpayers in the guise of various special licenses and charges, just won't suffice to do a half-way decent job of municipal administration—and since the good Seattle burgers haven't yet seen fit to give up fire and police protection and settle down to backwoods government sans all the urban fixings, the result has been a steady succession of operating deficits. At the beginning of the present year the city's general operating fund cash deficit was approximately six million dollars, with assets on the other side of the ledger in the form of delinquent taxes and other receivables equal to only about half that amount.

The 1938 city budget followed its predecessors in achieving a paper balance by inflating miscellaneous revenue anticipations. Now, with revenue realizations at the mid-year mark well below the budget figures, and a new mayor who has pledged himself to a "realistic" approach to the city's problems, the various banking institutions have seen fit to deny any further temporary credit to the general fund. The "out" proposed to the council is to have the employees' pension fund put up some \$1,200,000 invested securities which it owns as collateral for a bank loan to the general fund, and for the water department to ante-up with another \$250,000 or so. At last reports the officers of the pension fund were beginning to kick like steers at the proposal, but since the alternative is no funds to cash employees' salary warrants, the city workers will probably get stuck. That the sticking will be actual rather than theoretical is evident from the fact that the general fund is actually insolvent—has liabilities greater than its assets—as mentioned above. Citizens and officials alike have been playing a waiting game for the last few years, aware that a bad moment was coming for the general fund, but hoping that the state could be persuaded to step in and distribute largess. Now the bad moment has arrived, and the picnic seems to be all Seattle's.

Ironically, rival factions in the state have been battling it out during the summer getting sufficient petitions to put onto the fall ballot two new forty-mill tax limit initiative measures. One is substantially the present law, but permits the legislature to reallocate the two mills for state school purposes to

the cities, and the other would permit city levies up to eighteen mills instead of the present fifteen mills. Reports have the first proposal assured of a place on the ballot, but the fate of the second doubtful. Seattle is beyond a place where an added two mills can save the situation.

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Pay Where?—The perplexing problems facing citizens of Muhlenberg Township, Pennsylvania, when they decide to pay up current and past due taxes are described at length in a recent issue of *Your Dollar's Worth*, the monthly publication of the Pennsylvania Economy League. The situation is so complicated that even the tax collectors, who try to ease the willing taxpayer along his way by informal reciprocal agreements, can't always keep it straight.

If you happen to be a Muhlenberg citizen residing in the borough of Laureldale, for instance, you may pay your current and delinquent taxes to as many as five different tax collectors, in as many as nine different combinations. The borough collector will accept current borough, school, and county taxes. He will also accept delinquent and unliened borough taxes, and delinquent liened and unliened county taxes. The Muhlenberg township school district delinquent tax collector will take delinquent unliened school taxes, but liened delinquent school taxes are payable only to the school district solicitor in Reading. Delinquent and liened borough taxes will also be accepted by the borough solicitor in Reading. And just to mix things up for good, the county delinquent tax receiver will accept both liened and unliened delinquent county taxes. Several of the tax collectors accept payments for the other offices, and then burn the midnight oil keeping the record of transfers straight.

*

M.F.O.A. Holds Successful Conclave in St. Paul.—Intensive work by those attending the conference is reported from those who covered the Municipal Finance Officers' Association's annual conference in St. Paul in mid-August. Work was largely technical, and reports seem to indicate that public bodies putting up the cash for the delegates' expenses (when they did) were making a pretty good investment. Complete reports on the con-

ference have not come through at this writing, but will be summarized next month.

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Financial Statistics of Cities, 1936.¹

That the Census Bureau is revising its statistics on local government to keep abreast of present-day requirements is apparent from an examination of its recently published volume for 1936. Public officials and others interested in having comparative municipal statistics will be agreeably surprised at the amount of information in the book, although since 1932 the report has been limited to the ninety-four cities over one hundred thousand.

Four additional tables are presented: value of municipal properties, method of financing capital outlays, debt obligations classified by rates of interest, and number of municipal employees. The first of these tables shows that nearly five billion dollars worth of land, buildings, and equipment are utilized in performing the ordinary functions of city government, and property of half that value for municipally-operated utilities. The second shows that of nearly \$300,000,000 of general departmental outlays during the year, only one-half was from bond issues, the remainder being from grants and current funds, while in financing outlays for utilities two-thirds of the \$144,000,000 was from bond issues. The third table shows that rates of interest run from 2 to 6 per cent, with an average of 4.2 per cent. The fourth table shows the distribution by the various services of 664,000 public servants.

To attain comparability among cities, the bureau reports the statistics of all overlapping units of government, the proportion of data for such units being determined by assessed valuation. Table two lists the independent divisions and reports for each the percentage of statistics included.

The data relating to receipts, expenditures, and debt have been recast to some extent to reflect present-day financial transactions of local governments. Among the new features relating to receipts, it is noted that tax collections are reported separately as between current and prior years' levies; grants-in-aid

¹Prepared under the supervision of C. E. Rightor, Chief Statistician for Financial Statistics of States and Cities, Bureau of the Census. Superintendent of Documents, Washington, D. C. Price 70 cents.

are classified to show separately those from the federal government, amounting to over 25 per cent of all grants; and per capita receipts are reported in greater detail.

In reporting cost payments, increased attention has been given to "charities," which is such an important phase of public financing today. Data relating to charities, hospitals, and corrections are separated throughout the report; old-age assistance is set forth under charities, as are also mothers' and veterans' aid—formerly classified as miscellaneous. Under public service enterprises, transit and airports are included.

The classification of debt has been simplified, now being reported as funded or fixed, special assessment, and floating or unfunded debt. Introduction into public finance of revenue bonds, however, in connection with both general departments and public service enterprises, has required that the bureau recognize this type of security.

Tables relating to non-revenue receipts and non-governmental-cost payments are presented, but the detail is restricted to transactions affecting debt incurrence and repayment.

This brief review of the revisions being effected to modernize the bureau's reporting of statistics of cities is illustrative of the progress being made. Extensive recasting of a federal agency's compilation, without unduly impairing comparability of the series, must be a studied process. The National Municipal League, through its membership on the National Committee on Municipal Accounting, is coöperating with the bureau in this constructive work, and the director of the bureau has also set up a special advisory committee on the subject which passes on all revisions. With the continuation of these coöperative efforts, it may be expected that future reports will make available even more valuable statistics about our cities—possibly including all cities over thirty-thousand population—which are so greatly needed.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

New York Convention Seeks to Ban P. R.—Deserting their New York City colleagues and over-riding the decision of the committee on suffrage, a group of upstate

Republican delegates to the New York State Constitutional Convention joined forces with New York City Democrats on the last morning of the session's regular deliberations, August 19th, and carried a proposal to prohibit the use of proportional representation for any purpose anywhere in the state. The action was taken through a surprise amendment to the main suffrage proposal and was offered by Louis M. Killeen, Republican delegate from Schenectady, where a P. R. amendment to the city charter is to be voted on this fall.

The amendment read:

"Every voter shall be entitled to vote at each and every election in this state or any of its subdivisions for as many persons as there may be offices to be filled thereat. No election for any offices to be filled by the people of the state or any of its subdivisions shall be conducted by any system of proportional representation."

P. R. was pictured by Mr. Killeen and Democratic orators as a complicated "un-American" system tending to blocs and confusion, against whose insidious wiles the people of all municipalities should be protected.

Mrs. Helen Z. M. Rodgers of Buffalo, Republican chairman of the committee on suffrage, made a spirited and able defense of her committee's bill against this unwelcome addition. She pointed out that proportional representation had been adopted by the people of the City of New York in 1936 on a separate referendum by an overwhelming majority, that they had the power to repeal it if they did not like it in practice, that neither Schenectady nor any other city could adopt P. R. unless its people voted to adopt it, and that a denial of the right of cities to choose the method of electing their own local officers was utterly at variance with the principles of self-government already affirmed by the convention. When the amendment had carried, she spoke and voted against the passage of her committee's measure, saying that this incubus more than balanced the good provisions which she and the committee had labored months to perfect.

Mrs. Rodgers was vigorously supported in her opposition by several prominent Republicans from New York City: former State Senator Joseph Clark Baldwin, chairman of the convention's housing committee, a member of New York City's P. R. council, and once the only Republican member in the New York

City board of sixty-five aldermen before the advent of P. R.; Supreme Court Justice Philip J. McCook, a member of the convention's suffrage committee; Abbot Low Moffat, chairman of the convention's finance committee and of the ways and means committee of the state assembly; and Harold Riegelman, chairman of the convention's committee on cities and counsel to the New York City Citizens Budget Commission. Their plea for protection of their minority representation in New York City and of the principle of home rule was supported by a number of upstate Republican votes, including that of Justice Charles B. Sears of Buffalo, chairman of the convention's judiciary committee and presiding justice of the fourth judicial department of the state supreme court, but approximately half of the Republicans present received it with deaf ears. Many of them had stood by their city colleagues a few days earlier on voting down a less dangerous attack on a detail of the New York City P. R. provisions when the suffrage measure was discussed on general orders, but now were incensed at them for helping to enact a permissive health insurance measure the night before. It was rumored also that some of them thought they could win Democratic votes at the polls for the Republican reapportionment by linking the two questions together.

Every Democrat present stood up for the amendment and it carried by 96 votes to 35.

Mr. Moffat then offered an amendment to except New York City from the prohibition. He was seconded by Justice James P. Hill of Binghamton, presiding justice of the third department, but the amendment was voted down 94 to 28.

Most of those who had opposed the prohibition then voted regretfully against the whole suffrage measure, which included such needed reforms as permissive permanent registration and a signature requirement for voting anywhere in the state; Martin Saxe, chairman of the convention's taxation committee, former Congressman William S. Bennet, and others rising to explain their negative votes. The measure carried 112 to 38.

Supreme Court Justice Charles Poletti of Manhattan, former counsel to Governor Lehman, chairman of the Governor's committee which prepared factual data for the convention's consideration and spokesman in

the convention for the American Labor Party which helped to elect him, entered the chamber as the final roll call was being taken and subsequently rose to voice the only Democratic protest against the ban on P. R.

The convention's action was met with a chorus of civic and editorial protest and will be vigorously fought at the polls. Some of the first editorial reactions were the following:

New York Times, August 23rd:

"By what right, or by what impudence, do these delegates to a state convention dare to over-ride the will of the people of New York City in a matter which exclusively concerns the people of this community: namely, the method by which they choose to elect the members of their own municipal council? Proportional representation was adopted in this city by a majority of nearly two to one in an election held less than two years ago. Until it is amended or abandoned by these same voters there is no earthly justification for a state agency to interfere. There has been no public demand for a change in the present system. There has been only Tammany's private dissatisfaction with it, because it has helped effectively to break a Tammany stranglehold. That a large number of upstate Republicans should have consented to play Tammany's game in this matter, in a last-minute move so secret that knowledge of it is said to have been withheld even from the Republican leaders themselves, is a shocking thing. Let it not be forgotten that these are the same Republicans who orate about 'overcentralization of power' in Washington under Mr. Roosevelt. The record now reveals them as so little concerned, in reality, about 'overcentralization of power' that they are willing to deny the people of this city their fundamental right to elect their own councilmen by their own chosen means."

New York World-Telegram, August 20th:

"Proportional representation was adopted here in 1936 by a clear-cut vote of 923,186 to 555,217. On its first and only trial it served to cut down the Democratic machine and the relics of Tammany to the smallest strength returned in a generation—although by no means an unfair reduction. Already it has proved its right to the faith of a disinterested nonpartisan citizenship.

"Now the convention has voted that New

York City shan't have proportional representation. This prohibition obviously has no proper place in a state constitution. It is local legislation, a brazen political attempt by indirection to amend the charter without the city's consent, a product of the last-minute rush at which the members themselves must blush in after-thought.

"The proportional representation clause yesterday . . . lopped off a vital arm from the city charter, sought to turn back progress to the old machine channels. It is indefensible in both purpose and method, and deserves a crushing repudiation."

New York Herald-Tribune, August 22nd:

"In the fifty-seven amendments finally adopted for submission in the constitutional convention there are included many sound and useful proposals. . . . But the soberest and most dispassionate of critics cannot fail, we think, to feel that the sudden, barefaced, and absolutely indefensible deal with which it concluded its labors on Friday afternoon has thrown a blight over the entire undertaking from which it is going to be a serious matter now to rescue it. . . .

"This paper has never made a fetish of proportional representation; it has always felt that the system as installed in New York City was experimental and that experience might yet indicate the wisdom of its abolition. But for a constitutional convention to attempt to abolish it out of hand, in the interests of the discredited Tammany political machine and over the heads of the people of the city who voted for it, by slipping in at the last minute and without debate or public demand an amendment prohibiting the system, is so far from the proper function of a constituent body as to end even the pretense that it has acted in that character.

"It is impossible to understand how either the Republicans or the Democrats who shared in this business can hope to reflect anything but discredit upon their parties as well as upon the convention itself."

New York Post, August 20th:

"In a slick, oily, bipartisan 'surprise' maneuver the delegates everlastingly disgraced themselves by throwing New York City's hard-won proportional representation system into the ash-can. . . .

"The people of New York City adopted

P. R. by a majority of more than 300,000. It has given minorities decent representation for the first time in the city's history. It has pulled the claws of Tammany.

"Nothing could demonstrate better how important P. R. is than this vicious bipartisan drive to kill it. . . .

"Tammany smells a way back. It won't get it—even if the entire constitution has to be ditched."

Brooklyn Daily Eagle, which opposed the adoption of P. R. in 1936, August 21st:

"The move to strike out proportional representation is a flagrant disregard of the right of the people of this city, who voted by a majority of 367,969 in 1936 to institute that system in the election of city councilmen.

"There are wide differences of opinion as to how successful this is proving in operation, but it should be the right of the citizens of Brooklyn and the other boroughs to decide whether to continue it or not after it has been given a fair trial."

New York Sun, which has always opposed P. R., August 20th:

"What is that agonizing cry which splits the summer day? Is it the last stridence of a million cicadas stung by a million digger wasps? No, it is the scream of a Proportional Representation (Homo computer) who has heard the news from Albany. . . . There will be foam and sound and fury. Home rule will be pictured as outraged. . . . Something hotter than 93.4 degrees has got into the campaign at last."

The *New York World Telegram* took a poll of upstate dailies and reported that thirteen of the fifteen which replied regarded the P. R. ban as an unwarranted infringement on the rights of local voters to govern themselves. Among others the *Rochester Democrat and Chronicle*, the *Utica Daily Press*, the *Watertown Daily Times*, and the *Albany Knickerbocker News* carried editorials criticizing the convention's action adversely.

Mayor LaGuardia; Samuel Seabury; Newbold Morris, president of the New York City Council; Park Commissioner Robert Moses, an opponent of P. R.; Kenneth Simpson, Republican national committeeman; and State Senator Thomas C. Desmond were among those who issued strong statements of protest.

Governor Lehman sent to the president of the convention a public letter in regard to the manner of submitting the convention's work which read in part as follows:

"Many people, of whom I am one, feel that regardless of whether the principle of proportional representation has merit or not, the outright prohibition of proportional representation has no place in the constitution. Proportional representation was adopted in a referendum by the people of the City of New York by an overwhelming vote. It can be readily amended or repealed by the voters of the City of New York. Other communities should have the right to decide whether or not they wish to operate under proportional representation.

"If the convention decides not to reconsider its action prohibiting proportional representation—and it still has the opportunity to do so—it should certainly submit the question to the people for their consideration as a separate proposal."

By the time the convention came together again on August 25th to decide the method of submitting its work, many of the Republicans and some of the Democrats had thought better of their hasty action, and it seems fairly certain that but for the convention's resolution of the week before that it would not consider the substance of any proposed constitutional amendment after 6 P. M. August 19th, the P. R. ban would have been rescinded. Edward F. Corsi, Republican delegate-at-large and deputy commissioner of welfare of New York City, tried to amend that resolution to allow the convention to reconsider this one matter. Judge Frederick E. Crane, the president of the convention, ruled him out of order and said there would be no time when his motion would be in order. The implication seemed to be that the convention, though still alive, was no longer master of its own destinies.

Later, when the P. R. ban was reached in the reading of the proposed constitution, George R. Fearon of Syracuse, former Republican leader in the state senate, moved to strike it out. Judge Crane ruled him out of order also. Senator Fearon thereupon appealed from the decision of the chair and demanded a roll call vote. The chair was sustained only by the close vote of eighty-five to seventy-five in spite of the fact that Judge Sears and Judge

Hill, two of the most influential opponents of the ban on P. R., made statements reaffirming their position but upholding Judge Crane as in their opinion technically correct in his ruling.

Six of the most influential Democrats—the Democratic leader, United States Senator Robert F. Wagner, Judge Poletti, State Senators Philip M. Kleinfeld and Jacob H. Livingston of Brooklyn, State Conservation Commissioner Lithgow Osborne of Auburn, and Edward Weinfeld of Manhattan, who made a strong statement of his position—joined with sixty-nine of the ninety-two Republican delegates in voting to override the chair and reconsider. The roll call at least made it clear that there was no longer a majority of the convention—eighty-five votes—in favor of the ban on P. R.

The next day the convention did what it could to make amends by submitting the ban to the voters as a separate question after voting down a Democratic proposal to combine it with the rest of the suffrage article proposals. The work of the convention will be put before the voters in November in nine questions, of which the seventh will read:

"Shall the proposed amendment, submitted by the constitutional convention prohibiting voting by any system of proportional representation, be approved?"

*

P. R. Rejected for New York Legislature.—It was not to be expected that a constitutional convention which finally voted to prohibit P. R. even for local elections would extend its use to the state legislature. Nevertheless, the attempt to make this extension received an amount of public support which was highly gratifying to its sponsors and some influential support in the convention itself. The four proposals before the convention for applications of P. R. to elections of the legislature—two introduced by New York City's deputy welfare commissioner Edward Corsi, Republican, and two by Supreme Court Justice Charles Poletti, Democrat—were all killed in the convention's committee on the legislature and its organization. The committee rejected the request of civic organizations for a public hearing, but held a private hearing at which George H. McCaffrey, research director of the New York Merchants Association, and the editor of this department appeared in support and the Democratic P. R.

count directors for Manhattan, Brooklyn, and the Bronx appeared in opposition.

Nearly all the civic organizations which led the fight for the adoption of P. R. in New York City supported its extension to the state legislature. They were joined by the United Neighborhood Houses, the Queensboro Chamber of Commerce, and the Central Queens Allied Civic Council, which had taken no official position in the city campaign.

Outside New York City there was less active interest, but the state-wide conference on constitutional revision called by the state committee of the National Municipal League at Schenectady, the Ulster County Taxpayers Association, and the New Rochelle Chamber of Commerce passed official resolutions of approval and there was no evidence presented of organized upstate opposition.

A partial list of prominent individuals who were willing to be quoted as favoring some application of P. R. to state legislative elections was presented to the committee. It included, among many others, Judge Samuel Seabury of New York City and Easthampton; Dixon Ryan Fox, president of Union College, Schenectady; Leroy E. Snyder of Rochester, assistant to the president of the Gannett Newspapers; William E. Mosher, director of the School of Citizenship and Public Affairs at Syracuse University; Newbold Morris, president of the New York City council; and Stanley Isaacs, borough president of Manhattan and former president of the United Neighborhood Houses. The list also included the Republican P. R. count directors of last fall's New York City election for Manhattan, Brooklyn, Queens, and Richmond (Staten Island) and the Democratic director for Queens—just half of the P. R. count directors for the whole city.

The *Utica Daily Press* and the *New York World Telegram* carried favorable editorials. The latter, in its issue of June 25th, protested editorially against the convention committee's refusal of a public hearing:

"We think P. R. entitled to at least a public hearing for two major reasons:

"1. Public interest in P. R. has been proved beyond all question by its adoption in New York City, which contains more than half of the state's population. Its extension to state elections has been urged by the City Fusion, American Labor, and Socialist parties, also by the Citizens Union, Merchants Association,

and a number of other civic organizations. It is neither discredited nor forgotten.

"2. P. R. provides an automatic solution of the reapportionment problem which the legislature has disgracefully ducked and which even the constitutional convention has shown no very promising signs of meeting.

"Politicians may or may not be right in thinking the state's voters would disapprove P. R. for electing member of the state legislature. Nevertheless, the proposal is too competently backed, too progressive, too seriously discussed to warrant summarily smothering it in committee."

H. Duane Bruce, of Syracuse, chairman of the convention committee which considered the bills, in his address presenting the committee's reapportionment bill to the convention referred to a unicameral legislature elected by P. R. as the simplest solution of the reapportionment problem, but one which he considered unsound for a state like New York with one great city because it gave weight only to votes and not to territory. Assemblyman Moffat in defending the committee's bill on the floor said that he did not consider it ideal and that he had voted in committee for the election of one of the two houses by the only method which assured real equality of voting power, namely P. R.

*

Wheeling Voters Affirm City Manager—

P. R. Charter.—After a three-year trial under unfavorable administrative conditions, the voters of Wheeling, West Virginia, on July 28th expressed their satisfaction with, and confidence in, the "Cincinnati plan" city manager—P. R. charter which they had adopted at a popular referendum on April 18, 1935. Although the recent campaign was hotly contested, and both sides engaged in regrettable personalities during the final stages, the vote was light. Only 40.6 per cent of those registered went to the polls. The "Cincinnati plan" was victorious by a margin of 8,063 to 6,940, whereas in 1935 the pro-charter vote was 8,789 against 7,339. Since there is less than one per cent difference in the proportion of favorable votes on the two occasions, the charter may be said just to have held its own. This is a remarkably good showing, because the voters were compelled to distinguish between the charter itself and an unpopular city administration, which would have been defeated.

The election was the result of 11,400 voters

having signed petitions, under the West Virginia home rule statute, calling for a special election on the question of whether or not a new charter should be framed. The purpose was to restore the old ward system of elections. The movement was sponsored and led by several persons who had opposed the charter in 1935. The charter was defended by the Wheeling Association, which had but recently emerged from a two-year period of hibernation.

There is no doubt that the voters were impressed with the good financial record of the city since the advent of the Cincinnati plan, and that they did not favor a return to ward politics. But it must be admitted that another important factor in the charter victory was the lack of an effective election day organization on the part of the anti-charterites to get out their vote. On the other hand, the Wheeling Association's organization functioned like clockwork on election day, and squeezed out big majorities in nearly all precincts in the three favorable election districts out of nine. A good portion of the credit for this may be attributed to Mr. R. V. Engstrom, organization chairman during the final stages of the campaign.

The following editorial of July 30th from the *Wheeling Intelligencer*, a supporter of the Cincinnati plan from the very start, sums up the Wheeling situation in very well chosen words:

"Now that the Cincinnati plan charter has withstood a ballot test, it is to be hoped that there will be no confusion in any quarter as to just what Thursday's result means.

"The vote was in no sense a vindication of the present city administration. It was merely a vindication of the plan of municipal government under which the administration functions—and that by a minority vote.

"Those leading the campaign to preserve

the charter made this distinction many times during the past several weeks. Nearly all friends of the charter admitted that the administration is not above criticism, but pointed out that none of the administrative faults could be fairly traced to the charter itself.

"At the same time it must be clear to all thinking people that dissatisfaction with the administration rather than with the law gave impetus and point to the opposition movement.

"Credit for the charter's victory, the *Intelligencer* feels, lies with the Wheeling Association. The young men of this group carried on a vigorous and effective campaign, reminiscent of the effort of the same organization which resulted in the adoption of the charter in the first place.

"The *Intelligencer* congratulates these young men on the result, and commends their interest in civic affairs. It makes bold to suggest, however, that, had the association maintained during the past three years the aggressive interest in city affairs it exhibited during the two campaigns in question, the movement which resulted in Thursday's election would never have developed.

"It is to be hoped, in the interest of good government and stability in the form of government, that the Wheeling Association will keep up its present interest in city hall and become thoroughly conversant with the facts of public administration in this community.

"Eight thousand affirmative votes out of a total registration of 37,000 is not a margin of charter endorsement which will permit of any resting on oars."

JULIAN G. HEARNE, JR.¹

Secretary, Wheeling Association

¹Mr. Hearne was the author of Wheeling's present charter and first president of the Wheeling Association.

Wheeling Keeps P. R.

We congratulate the people of Wheeling for their good judgment in voting to keep their present efficient, nonpartisan city government and the P. R. election system.

The majority of 1,123 in a special election appears to be a decisive rout of the selfish political forces which were seeking to overthrow the new type of government. The citizens had performance in the way of a balanced budget, efficient operation of city departments, and a sound credit rating and they voted to keep that which they found good.

But no rout of patronage-hungry politicians ever appears to be final, if we may judge from Cincinnati's experience over a dozen years. Only the perpetual vigilance of an alert citizenry keeps the raiders from the City Hall door.

Cincinnati Post, Editorial, July 20, 1938.

Four Massachusetts Cities to Vote on P. R.—Manager Plan.—It is now assured that four Massachusetts cities will vote on P. R.—council manager form of government November 8th.

Cambridge organized a committee on July 26th with James M. Landis, former SEC chairman and now dean of the Harvard Law School, as chairman and Chandler W. Johnson as executive director. In a spirited drive—despite the hot weather—the committee obtained eleven thousand signatures in less than three weeks. This was six thousand more than the 10 per cent of registered voters required by the new Bay State Plan E (council manager) law.

Northampton launched its campaign earlier. The work of obtaining the twelve hundred needed signatures was largely the single-handed effort of Dr. Frederic W. Plummer, who circulated the petitions, checked the names, and had them all prepared for filing nearly a month ahead of the August 25th closing date.

Dr. Plummer retired as principal of the Northampton High School last year. He still resides in the famous white clapboarded duplex house where he was Calvin Coolidge's neighbor for so many years.

In Quincy the drive for a Plan E charter is sponsored by the Quincy Taxpayers Association, of which Donald F. Cameron is president and William M. Edmonston executive secretary. Because of the organization's large membership little difficulty was encountered in securing the required thirty-eight hundred signatures.

Waltham also has filed petitions for a similar referendum.

Petitions for the four cities have been certified by election officials.

Springfield, New Bedford, Somerville, and Brockton have all heard some discussion of Plan E.

Cambridge, Northampton, and Quincy all report strong support for the plan from their local newspapers, and more talk is heard of P. R. and city managers in Massachusetts these days than ever before. This prompted one Boston newspaper—the *Christian Science Monitor*—to remark that "Hub" citizens feel pretty much out of things, inasmuch as Plan E was made available for every Bay State city except Boston.

ROBERT R. MULLEN¹

¹Mr. Mullen is assistant city editor of the *Christian Science Monitor*. His illustrated article on P. R. in the *Monitor* for August 3rd, entitled "Democracy Bucks Its Dictators," has aroused nationwide attention.

RECREATION

(Continued from Page 449)

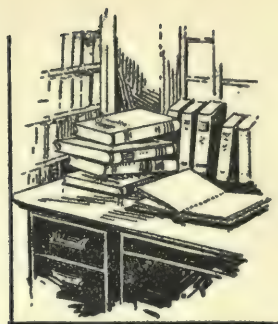
were about the same for swimming pools and golf courses. Income from bathing beaches and group camps fell a little short of meeting operation costs.

The Cincinnati Recreation Commission has blazed new trails in the matter of charges and the popularization of recreations. For example, it reduced golf fees from a minimum of one dollar to thirty-five cents for adults and fifteen cents for high school students. It offered free group lessons at neighborhood centers, factories, stores, and schools. As a result, thirteen thousand different persons registered at its two courses in 1937 in contrast with four thousand in 1934. Golf has ceased to be a rich man's game in Cincinnati.

CONCLUSION

It is clear that the events of the last decade have made the American people recreation-conscious to an increased degree. The facilities for outdoor public recreation have grown markedly in many cities. Access to school buildings has become easier although many school boards still resist the use of school buildings for recreation. There is a great need to consolidate public recreation services in several cities of the 500,000 to 1,000,000 population group or at least to secure closer coöperation among the two or more public agencies which are conducting activities in these cities. In some of these cities and in others there is an appalling lack of understanding among otherwise well informed citizens of what good recreation leadership implies. Where the public has enjoyed good recreation service it has shown it is willing to vote reasonable financial support. In cities where the general political situation is bad, however, and the recreation service indifferent or worse, extraordinary efforts will be required to develop activities of which the public can be proud—and this means skillful creation of an informed public opinion.

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

Valuation of Property. By James C. Bonbright. New York City, McGraw-Hill Book Company, 1937. xx, 1271 pp. (two vols.). \$12.

An electric light and power company is organized and financed at \$15,000,000, its physical property constructed at \$10,000,000. Some time later the state rate-making body finds the property worth \$11,000,000. On appeal from this value the company secures a value fixed by the United States Supreme Court at \$13,000,000. Meanwhile its tax valuation has been fixed at \$8,000,000. Still later in receivership a court fixes an upset price of \$5,000,000. Immediately the reorganization committee exchanges the property for securities having a par value of \$12,000,000. Under eminent domain the state then takes over the enterprise on a jury award of \$16,000,000. Professor Bonbright gives this hypothetical case to illustrate the wide discrepancies between values actually placed by officials and business interests on properties for different legal purposes. Such differences may be accounted for by inclusion or exclusion of certain items, the time factor, economic conditions, bias, prejudice—by reason of the specific purpose for which the valuation is made.

This latter reason and the law supporting and effecting it is the subject of the present work. To clarify this law, to strip the bland traditionalism away which says that "value means value" and twists the law into an erroneous interpretation, such is the purpose of this work. Here is the functional school criticizing and subjecting to rule one of the most important though uncriticized fields of our capitalistic economy.

The use of sales, original cost, replacement cost, capitalized income as measures of value are treated along with the technique of enterprise valuation and including a valuable chapter on depreciation. The work then

analyzes valuation for various legal purposes—damages, fire insurance, eminent domain, general property tax, corporate tax assessments, estate and inheritance tax assessment, determination of solvency, stock watering, corporate reorganizations, dividends, federal income tax, and rate making.

The fuzzy theory and the logically defective nature of the general property tax are again set forth in this work. The familiar form of words giving the definition of taxable value under this form of tax as "true value," "fair cash value," "actual value," etc., are recapitulated and it is pointed out that the actual formula resultant from these statutory definitions is "the price which the property would bring in an open market on a free, not forced, sale between a willing seller and a willing buyer." Cases are then cited showing that neither "actual cost" nor "replacement cost" are necessarily value, that "fair market value" is not necessarily current market price, that market value is value to the owner or realization price in Wisconsin, although usually not elsewhere. The law here is vague because of assessor's tendencies not to put their eggs of value in one legal basket. Furthermore, these valuations are subject to administrative review and therefore not the subject of written opinions, since assessors are traditionally prone to blur fine points of theory rather than to pursue them to the point of legal contests with taxpayers.

In addition to its worth as a criticism of traditional legalism, the main point of this work is a rationalization of value concepts and appraisal technique by courts and lawyers, accountants and assessors, appraisers, and valuation experts. The uncritical rule of thumb methods of appraisal suffer a withering fire of criticism. Professor Bonbright and his associates in this truly encyclopedic work,

probably the most significant work in the field in our generation, has put this and succeeding generations of students and practitioners of economic value in his debt by this study of valuation. The study breaks down the frontiers separating the academic economist's theory from the jurist's rulings on evidence, the accountant's rule of thumb balance sheet appraisals from the appraiser's inspired guessing on earnings of an enterprise.

The functionalist criticism of our legal theory and courts is well illustrated by Professor Bonbright who takes some well timed sledgehammer blows—"The vice of traditional law lies, not in its adoption of excessively rigid concepts of value and rules of valuation, but rather in its tendency to permit shifts in meaning that are inept, or else that are ill defined because the judges that make them will not openly admit that they are doing so. . . . He [the judge] is almost exempt from being convicted of faulty logic, since most of his audience are guilty of the same logical fallacy. He is largely immune from the charge that his action will not accomplish a socially desirable result since he can reply that his function is to administer the law, not to create it."

The wonder is that we have had to wait so long for such a study as this concerning so central a problem in our economy. One reason is that no one has seen the problem entire as Professor Bonbright does and the other is that the shift from laissez faire to a controlled, if not planned, economy makes such a development imperative.

HALE T. SHENEFIELD

Auditor, Lucas County (Toledo), Ohio

*

Man Made Culture. By Frank Ernest Hill. New York, N. Y., American Association for Adult Education, 1938. 166 pp. \$1.25.

Man is a clubbable animal. He gathers in groups because he is urged to by a drive deeper than consciousness and then rationalizes about it by asserting that he does it for high purposes chief of which is that blanket aim called culture. But in the next breath, particularly if there is a woman around, he tries to make it clear that he is not too serious about it. This author, however, is not undecieved by this attempt to dissemble and he brings together a mass of material which suggests the amount of culturing men do to themselves in their clubs. This knowledge is

important for those concerned with the betterment of local government. It is this interest which is responsible for the city club movement whether of the passive type of Cleveland or the militant type of New York. The significance of city clubs is discussed on page 55 and the judgment is given that, "They represent the efforts—still rather vague and feeble—of American communities to share in the determination of public policy." It would be interesting to read that sentence to the habitees of the long table of the New York City Club, or to have William Feather discuss it at the Sanhedrin table of the Cleveland City Club and have Peter Witt reply. There would be agreement, however, with the sentence on page 137 that city clubs set "a surprisingly high standard in the selection of speakers."

A group of men in any city, interested in organizing themselves for the bettering of their city in its governmental phase, and in bettering themselves to pursue that object as individual citizens, will find this little book of value. If they decide to mix "minicams" with municipal affairs as the Milwaukee City Club does, they will learn of similar undertakings in places remote in geography but close in spirit.

WALTER J. MILLARD

*

Unicameral Legislation in the States.

By James W. Manning. Lexington, Kentucky, Bureau of Government Research, University of Kentucky, 1938. 13 pp. mimeo.

A discussion of what constitutes a good legislature, and how our present bicameral set-up meets the conditions as compared with a unicameral body. Presented are arguments for and against the unicameral legislature, with a discussion of Nebraska's experiment.

*

The Community School. Edited by Samuel Everett. New York City, D. Appleton-Century Company, 1938. xii, 487 pp. \$2.25.

A report, analysis, and discussion of the community school programs which have been experimented with in various types of communities. Contributing editors include Leonard Covello, Edgar M. Draper, Myles Horton, H. Gordon Hullfish, Allan Hulsizer, William H. Kilpatrick, Frank E. Midkiff, Paul J. Misner, Paul R. Pierce, George I. Sanchez, and H. A. Tape.

Low Cost Housing Legislation. By Arthur Harris. Berkeley, California, Bureau of Public Administration, University of California, 1938. 22 pp. mimeo.

A discussion of the federal government's role in low cost housing, including the Wagner-Steagall housing act, and an analysis of housing authority laws in states other than California, which, at the time of the preparation of the study, had passed no legislation enabling the setting up of such authorities.

*

Who's Who in Public Administration Research in Virginia. By Rowland Egger, Raymond Uhl, and Vincent Shea. University, Virginia, Division of Publications of the Bureau of Public Administration, 1938. 67 pp. mimeo.

A directory of specialists in various phases of the field of public administration and in closely allied fields.

*

Who Uses the Public Library. By William Converse Haygood. Chicago, University of Chicago Press, 1938. xix, 137 pp. \$2.00.

A survey of the patrons of the circulation and reference departments of the New York Public Library.

*

Conditional Sales Contracts in Municipal Purchases. Chicago, American Municipal Association, 1938. 15 pp. mimeo. Fifty cents.

A presentation of some of the legal aspects of the purchase of certain heavy machinery and supplies under conditional sales contracts, wherein the municipality concerned makes payment for such purchases from revenues produced by them, the title remaining in the vendor until such payments are made.

*

The Role of the Library in Adult Education. Edited by Louis R. Wilson. Chicago, University of Chicago Press, 1937. xi, 321 pp. \$2.00.

Papers presented before the Library Institute at the University of Chicago, August 2-13, 1937.

*

Paying for our Public Schools. By Frank W. Cyr, Arvid J. Burke, and Paul R. Mort. Scranton, Pennsylvania, Inter-

national Textbook Company, 1938. x, 197 pp. \$2.00.

A presentation, for the average citizen, of the fundamental facts and principles of school finance.

*

Social Interpretation. By Arthur B. Moehlman. New York City, D. Appleton-Century Company, 1938. xiii, 485 pp. \$3.00.

The primary purpose of this book is to give to school executives and teachers a better understanding of the school and its interpretive needs and to show the ways in which the school and its objectives can best be explained to the community.

*

The Regulation of Billboards and the Business of Outdoor Advertising. By Harry R. Betters. Washington, D. C., United States Conference of Mayors, 1937. 26 pp. mimeo. \$1.00.

A discussion of the regulations of 150 major cities covering billboards and the business of outdoor advertising.

*

Public Works Engineers' Yearbook, 1938. Chicago, American Public Works Association, 1938. viii, 482 pp. \$3.50.

A comprehensive review and appraisal of the significant developments of 1937 in the public works field.

*

Municipal Abattoirs and Private Slaughterhouses. Chicago, American Municipal Association and the International City Managers' Association, 1938. 45 pp. mimeo. \$1.00.

A factual study of the cost and operation of thirty-two city-owned abattoirs and methods of control over private slaughterhouses.

*

Present Practices in Financing Governmental Research. By Abbett Pulliam. Schenectady, Bureau of Municipal Research, Inc., 1938. 25 pp. mimeo.

A summary of the experience of fifty-one citizen agencies for governmental research as revealed by questionnaires and personal inquiry.

*

Traffic Survey Data on the City of St. Louis, 1936-1937. By Charles H. Diel of the Works Progress Administration, with as-

sistance of William F. Saunders and Lawrence M. Farrell. St. Louis, Board of Public Service, 1938. 80 pp. (maps and charts).

*

Government in Fascist Italy. By H. Arthur Steiner. New York City, McGraw-Hill Book Company, 1938. xii, 158 pp. \$1.50.

This book analyzes the form which the government of Italy has assumed under Fascist auspices and provides the answers to many questions concerning that country's government.

*

The Politics of Modern Spain. By Frank A. Manuel. New York City, McGraw-Hill Book Company, 1938. xiii, 194 pp. \$1.50.

The postwar decay, Primo de Rivera's dictatorship, collapse of the monarchy, republican coalition government, the consolidation of opposition, the birth of the People's Front, and the Fascist counter-offensive are discussed in this book.

COOPERATION IN PURCHASING

(Continued from Page 444)

justify its dormancy; nevertheless, it has been apparent from the outset that ignorance of the very existence of the provisions for state centralized purchasing has been a major cause of its neglect. Such a plan requires a stimulus, and in no instance does there seem to be anyone so deeply concerned that the matter is constantly kept before the people. Little impetus can be expected to come from the leaders in the field of purchasing in major cities because the advantages of this plan are insignificant to them, nor is it likely that the state will become over-enthusiastic about the plan. If the plan has value it is for municipalities too small to provide an adequate system for themselves and in them the impetus is thwarted by a spirit of provincialism.

Recent Studies of the Consultant Service of the NATIONAL MUNICIPAL LEAGUE

Twenty Years of Government in Essex County, New Jersey

By Thomas H. Reed, LL.D.

Published by D. Appleton-Century Company

Price \$2.00

The Governments of Atlanta and Fulton County

Published by Atlanta Chamber of Commerce

Price \$5.00

Copies may be secured from the

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Engineering Index Service, the *Index to Legal Periodicals*, the *Inter-
national Index to Periodicals* and in *Public Affairs Information Service*.

The League's Business

Plans for the League's Convention.—The program which is being arranged for the League's forty-fourth annual conference on government, to be held at the Lord Baltimore Hotel, Baltimore, December 1st, 2nd, and 3rd, while still somewhat tentative, contains several new and interesting features:

On Thursday morning, December 1st, the first session of the conference will be a general one, to be devoted to "Publicizing Government." It is expected that speakers at this session will include persons prominent in the fields of journalism and radio.

The annual banquet of the League will be held on Thursday evening, December 1st. C. A. Dykstra, president of the University of Wisconsin, and Miss Marguerite M. Wells, president of the National League of Women Voters, president and vice-president respectively of the League, will be the principal speakers.

Group sessions will be held on Thursday afternoon and Friday morning. These sessions will cover planning (including zoning and housing), local finance, public management, citizen action, law enforcement, personnel (including a discussion of the model personnel law now being prepared by a special committee of the League and other interested organizations), county government, etc.

Colonel C. O. Sherrill, city manager of Cincinnati, will speak at the relief session on Friday, the 2nd, devoting himself to Cincinnati, where the problem of local work relief has been attacked in an original manner. Miss Dorothy Kahn, who spoke so acceptably before the last conference of the League at Rochester, has also agreed to talk on the subject of unemployment relief.

Saturday's meetings, morning and luncheon, will be devoted to proportional representation, the brief annual meeting of the Proportional Representation League taking place at the morning session. At the luncheon, Newbold Morris, president of New York City's first P. R. council, will present the New York City and State situations. Efforts in Philadelphia to secure a new city manager-P. R. charter will also be discussed.

The regular sessions of the conference will be preceded, on Wednesday evening, November 30th, with a dinner meeting of the National Municipal League's council, followed by the annual business meeting of the League.

* * *

League's New York State Committee Meets.—The annual meeting of the New York State Committee of the League was held at Albany on September 30th and October 1st. The most important task of the committee was its action on the proposed amendments to the New York State constitution, to be voted on November 8th. After debate the following recommendations were made: that amendment 1 (the omnibus section) be defeated (while it was the opinion of all that this amendment contains numerous worth while provisions, it was decided that it includes too many bad sections to warrant a yes vote); that amendments 2, 5, and 7, on reapportionment, the judiciary, and banning proportional representation, be defeated; that amendments 3, 8, and 9, on the abolition of grade crossings, health, and New York City transit unification, be supported; no action was taken on amendments 4 and 6, on housing and labor: these amendments received a majority vote of the members present but could not muster the two-thirds vote necessary for endorsement. (For a more complete description of these questions see the NATIONAL MUNICIPAL REVIEW for September, page 456.)

In its discussions the committee made use of a report on the amendments prepared by the League's committee on constitutional revision, of which S. Howard Evans is chairman. Copies of this report are available through the League's office at twenty-five cents.

The state committee elected the following officers for the year 1938-1939: chairman, Abbett Pulliam of Schenectady; vice-chairman, M. P. Catherwood of Cornell University; secretary-treasurer, S. Howard Evans of New York City; legislative representative, George H. Hallett, Jr., of New York City.

HOWARD P. JONES, *Secretary*

National Municipal Review

Editorial Comment

Conspicuous Waste: The Case of Dorothy Kahn

SOMETIMES it seems practical to endure minor evils in order to fight for the greater good. Thus even political theorists have at times winked at the spoils system when the despotism was benevolent and other gains were marching by its side.

But there is a point at which the spoils system becomes vicious, and another point at which it is almost cataclysmic in its effects. That final mark seems to have been reached this month in Philadelphia, where a distinguished public servant got the sack apparently because she refused to play politics.

The dismissal of Dorothy C. Kahn by the Philadelphia County Board of Assistance is not just another case of a good administrator thrown out to make way for the politicians: that would be bad enough. But Miss Kahn is more than just an executive, as those who heard her at the National Municipal League's forty-third annual National Conference on Government at Rochester realized, if they had not known it before. Speaking on the subject of a new program for unemployment relief at a luncheon meeting, Miss Kahn showed herself to be one of the few who can talk sense on a subject more confused by emotionalism and tangled thinking than the depression itself.

Relief is by all odds the most difficult problem of our generation. Our states and cities desperately need active leaders who can point the way to caring honestly and adequately for the jobless without at the same time plunging the rest of the country into bankruptcy

—financial and moral. When Philadelphia got rid of Dorothy Kahn, it got rid of one of those who might have helped solve that problem.

The details of Miss Kahn's dismissal seem to offer evidence of the motives which prompted it. A year ago a new state law caused a change in the powers and personnel of the Philadelphia County Board of Public Assistance, resulting in a fresh infusion of the political virus into the life-blood of local relief work. Dorothy Kahn, who had served for five notably useful years as executive director under the previous board, was formally reappointed by the new board six months ago. But the day before the six-month probationary period expired, she was summarily fired. The sole reason given: "lack of coöperation." The effect of this felicitous timing was to deny Miss Kahn the right to a hearing.

Immediate protests from welfare workers, colleagues, merit system advocates, and others who knew and appreciated her work elicited from the Board of Assistance a more detailed list of charges, the substance of which was that, of all things, Miss Kahn had played politics with appointment lists! Miss Kahn, of course, denied all charges, presenting arguments to prove their falsity. The public was then left to draw its own conclusions.

What those conclusions were is obvious. Bitter experience has taught public opinion that the politician is always guilty, unless proved otherwise. And proof, in this case, was entirely lacking.

If there were a sound non-political reason for the dismissal of Dorothy Kahn, the public had every right to know it. But by skulking in the shadows of a technical "probationary" period, the board has succeeded in throwing the spectre of doubt on its own case, *not* on Miss Kahn's.

Miss Kahn is out, but it is Philadelphia and the state of Pennsylvania which are really out. Miss Kahn will doubtless find elsewhere another position compatible with her abilities, but it is doubtful that Philadelphia will as readily find another Miss Kahn.

M. R.

Mystery Story

JUST how it comes about that many cities, large and small, can develop fine traditions of sound government while at the same time the counties in which they represent a preponderant part of the population remain conspicuously backward is a modern mystery.

This is not due to a higher level of intelligence and civic virtue within the city limits by any means. To say that the dwellers in our suburbs have less at stake and lack a sense of civic responsibility would scarcely be believable.

Still, in every part of the United

States can be found cities which have lifted themselves out of the morass of discredited methods and have cast off bad leadership but which at the same time tolerate a county system that is not only a blundering idiot by comparison but which also delights in sabotaging the municipality. In each case much the same people do the voting.

Is there any sound reason why outworn systems should be tenderly cherished in the back yards after they have been so beneficially uprooted as weeds in the front yards?

"Everything Has Its Price"

WHEN it comes to measuring a community's level of intelligence, the academician presumably would add up the years of formal schooling, library books in circulation, number of names in *Who's Who*, etc., and divide by the population as estimated in the last chamber of commerce annual report.

If nominations are in order, we'd like to mention Toledo, Ohio. We mention it not because we have any of these figures but because people there seem smart enough to add up facts, subtract false leadership, and stand steadfastly behind the answer which has come to be identified as "good government."

Toledo has just gone through another acid test (see page 505) to determine whether its honest, business-like government shall endure or whether the conduct of the people's affairs shall be passed back into the hands of the spoils politicians. This is the third time in

two years that Toledo has been forced to face this issue. Each time the right answer comes more emphatically. Essentially that answer is: eternal vigilance is the price of good government.

When a city is badly run it is not so very difficult to arouse the populace to the point of "turning the rascals out." But a well run city is in constant danger of becoming satisfied, indifferent, and fat (in the head). It is difficult to awaken its people to dangers.

That is where Toledo is different. The voters maintain a permanent organization which, like a fire department, constantly inspects for hazards and sounds the alarm in time to keep the citadel of good government from burning.

It is from such cities that voters everywhere can learn how surely, but not often easily, democracy can be made to work as it should and how, once achieved, it can be preserved.

Thirty Dollars a Week for Life

By WADE S. SMITH
Dun & Bradstreet, Inc.

Drastic effect on state and local government finance, with tremendous increase in tax burden, to be expected if California voters adopt initiated measure for generous pension to a possible half million persons.

PRIMARY election returns from California focused the nation's spotlight on the newest—and perhaps to date most powerful—of the movements for a general old-age pension. Previously, petitions signed by nearly one-third¹ of the state's eligible voters had placed on the November ballot an initiative measure to amend the state constitution to provide pensions of thirty dollars weekly to all over fifty years of age. But it was the primary results, with the upsetting of such a veteran as Senator William Gibbs McAdoo and the victory of pension proponents up and down the state, which dramatized the strength of the movement to vote the amendment in. Opposition to the measure is now crystallizing, and the campaign is on in earnest, but whether the proposal will go the way of Upton Sinclair's EPIC, or follow the lead of Colorado, where a pension with the age beginning at sixty is now partially operative, remains to be seen.

The initiative measure, if adopted, would add a new article to the California constitution. To be known by the enticing title, "The California State Retirement Life Payments Act—Thirty Dollars a Week for Life," it would

establish a fourth branch of state government, immune by its terms even from judicial review. It would create the office of a "state retirement life payments administrator," whose duty it would be to provide for the payment of a minimum pension of thirty dollars every Thursday to every applicant making a sworn statement that he or she is:

- (1) Fifty years of age or over;
- (2) A registered qualified elector of the state, or would have been able to so qualify under the law as it now stands;
- (3) Not employed for salary or wages or other remuneration and does not employ any person to engage for him in the production of goods or services for hire or for sale;
- (4) A legal resident of the state for not less than one year preceding the adoption of the amendment, or resided in the state not less than five years immediately preceding application for pension.

To those qualifying, the administrator is required to pay every Thursday the sum of thirty dollars in "retirement compensation warrants." The warrants will be issued in face amounts of one dollar, with fifty-two suitable blank spaces on the back to which there shall be affixed every Thursday for the next year a special two-cent stamp. Provision is also made for the issuance of five-dollar and ten-dollar warrants, to which ten-cent and twenty-cent stamps respectively will be attached. The proceeds of the sale of stamps will be received by the administrator, who at the expiration of a year will redeem the warrants at face value "in lawful money of the United States."

Circulation of the warrants in trade will necessarily be voluntary, but the measure provides that the state and its local subdivisions shall accept the warrants in liquidation of taxes, licenses, fees, royalties, or for the purchase price

¹Later reports indicate that less than 400,000 of the signatures passed inspection when the petitions were validated. Over half the signers were not qualified to vote, many of them perhaps signing to oblige canvassers paid on a per signature basis.

of real or personal property, or for rents or services, or for any and all other debts or obligations of every kind and character. Against this, the state and its subdivisions will be permitted to pay up to 50 per cent of salaries and payrolls in warrants (prorating such warrants as are available), and purchasing agents will be required hereafter to provide that payment for purchases and contracts made after adoption of the amendment may be paid up to 50 per cent of the total amount with warrants.

Transactions in which warrants are exchanged will be exempt to the amount of the warrants from the present state sales tax, but will not be exempt from the gasoline tax. Nor will income in warrants, either personal or corporate, be included in the determination of net income for application of the state income tax.

An elaborate organization for dispensing the warrants and selling the retirement stamps to be attached every Thursday is provided in the body of the amendment. Also provided is an initial appropriation of \$700,000—including \$200,000 for advertising—to get the scheme rolling if adopted. The \$700,000 is to be provided by the state in present coin of the realm—not warrants, with which salaries of the organization are later to be paid.

If approved by a majority of those voting on it at the November election, the initiative measure requires that within five days the governor shall appoint the administrator from one of three persons named in the article, and twelve weeks from then the payment of the pension warrants shall begin. Thereafter, beginning with the general election of 1940, the administrator will be elected by popular vote for a four-year term. If in any quarter the United States Department of Commerce average price level index of consumers goods

increases over the average in 1937, the weekly payment to eligibles is to be proportionately increased by the administrator.

To the serious student of government and economics, the California proposal raises such an array of catastrophic eventualities that it is difficult to tell just what are the most alarming features of the plan. Certainly the classical economists will see in it the erstwhile "revolving" pension plan of Dr. Townsend, which in one of its various manifestations wreaked its havoc on the Canadian province of Alberta in about three months and was then abandoned, with political repercussions which are still felt. Orthodox economic theory indicates that the scrip (for such the warrants would be) will circulate only at a heavy discount, if at all; that to the extent that it does circulate Gresham's law will operate to drive out "lawful money of the United States" and make the scrip the medium of exchange in California; and that a considerable price inflation will therefore result.

EFFECT ON GOVERNMENT FINANCE

More practical economics indicates that the scrip will have a limited and devious circulation. The California banks have already announced that they will neither handle, cash, nor hold it for deposit, while the larger department stores have said that they will not accept it in trade. Just what the scrip will be worth to the pensioners is problematical, except that it will be worth considerably less than the face amount printed on each warrant. It is not the economic implications of the scheme, however, which are of chief concern to REVIEW readers. More pertinent is the examination of the question: what will happen to local governmental finances in California if the amendment is adopted? In brief, to what extent will it increase the tax

burden, and to what extent will it disrupt the present fiscal arrangements of the state and its local subdivisions?

Taxation to support the pension payments is explicit in the terms of the proposed amendment providing that fifty-two two-cent stamps be affixed to each one-dollar warrant prior to redemption. Obviously the amount of the tax—\$1.04 for each one-dollar warrant, the extra four cents generously covering administrative expenses—is dependent upon the number of pensioners, something which no one can predict with any great accuracy. The present number of persons of fifty years of age or over in the state is variously estimated from one to one and a half million. Critics in California are assuming that 500,000 in round numbers is as close an approximation as possible to the number who will actually claim eligibility. Since we have no strictly comparable experience anywhere in the country upon which to base estimates of pension eligibility at the age of fifty and up, this estimate is probably as good as any other—perhaps too conservative, if anything, in view of the known higher-than-average proportion of elderly retired individuals in California. Using this number, the cost of retiring the warrants at face value for a full year would be as follows:

\$30 a week for 500,000	\$780,000,000
4 per cent for administrative costs	31,200,000
Total stamps to be sold	\$811,200,000

Judging this sum purely as an increase in taxation, without regard to the fact that it is a transaction sales tax equal to nearly one-third of the total retail sales in California in 1936, it is apparent that it would entail a drastic increase in the tax burden. Added to the revenues collected from all sources in 1937 by the state govern-

ment, the counties, and the cities, which totaled \$1,084,000,000, it would nearly double the present tax burden in California and bring the aggregate to over two billion dollars. In Los Angeles County alone, which in 1930 contained approximately 40 per cent of the state's population and may be assumed to show at least an equal proportion of the hypothetical 500,000 pensioners, it would call for the collection of \$324,480,000 in stamps, a sum which compares with a gross ad valorem tax levy in 1937-38 for all local units including the county of \$122,600,000. Even to the residents of Hollywood Boulevard, this will seem a colossal expenditure.

TAXATION BURDEN TREMENDOUS

Now, California is a rich and productive state, both agriculturally and industrially—Dr. Edna Trull ranks it second among the forty-eight states in her debt-paying capacity index²—but the burden to be imposed by the proposed pension scheme, if anything like the expected number of qualified persons apply, is simply staggering. It is, indeed, difficult to see how any body of persons could submit to the level of taxation which would be required without substantial impoverishment.

Hard as will be the taxpayer's lot if the amendment is adopted, more difficult still will be the position in which the local governments will find themselves. Still assuming that the warrants will be issued to a sizeable group of pensioners, and will manage to circulate, it is evident that their most ready use will be in the payment of taxes and other obligations to the state and its subdivisions. Accumulation of the scrip by speculators for resale to taxpayers, a practice during the depression in cities where municipal scrip was used for

²*Resources and Debts of the Forty-eight States, 1937*, by Edna Trull, Municipal Service Dept., Dun and Bradstreet, Inc., New York, 1938.

meeting payrolls, will involve in this instance somewhat more complicated computations as to discounts under face value, since each dollar warrant brings to its holder a liability of two cents every Thursday, but it will not be impossible. It may safely be assumed that everyone receiving any sizeable quantity of the warrants will assist in devising a practical method of unloading them on the tax collector, whatever the going rate for any given issue of warrants may be. And since, as has already been noted, the face amount of warrants to be issued if 500,000 pensioners apply is roughly three-quarters of the present revenues of the state, the counties, and the cities, it is theoretically possible that these revenues will hereafter consist of roughly three-quarters scrip and one-quarter cash.

But no matter how much or how little scrip the local governments receive in lieu of taxes or other payments, they still won't be able to cash it in for a year. True, they can use it to meet payrolls—but only to the extent of 50 per cent of the payrolls. And they can use it to pay contractors for materials and supplies, the vendors willing—but again only up to 50 per cent of the obligation. They won't have to attach stamps every Thursday to the scrip they receive—provision is at least made for that—but then, they won't be able to present it to the state for redemption until it's been outstanding for a year. And meantime, each unit will need good hard cash to meet the other 50 per cent of its payrolls and purchases, and will need a considerable sum for the payment of principal and interest charges on its funded debt.

To gauge the effect on a municipality's finances of accepting scrip in lieu of money for taxes, it is necessary only to turn to the experiences of those cities and counties which resorted to it during the last depression. The south New

Jersey coastal resorts in particular provide much food for thought for California voters. There scrip was extensively issued in the form of delinquent tax anticipation notes of small denomination, handed out to meet payrolls and to pay bills. Appeals to merchants to coöperate in the emergency led to the scrip's circulating after a fashion, although at such discounts that scrip brokers soon appeared to profitably assist the transfer of the paper from holders to taxpayers able and willing to liquidate their tax obligations at a discount. In these cases, receiving the scrip liquidated the obligation—both for the unit to redeem its paper and for the taxpayer to pay taxes—but it failed to provide cash for current operations. When there was sufficient cash received to make it worth while, the bondholders attached it; when there wasn't, all creditors waited for their money and the unit continued to issue scrip for salaries. One still hears occasionally the prideful announcement of some small unit that it has finally retired the last of its scrip.

LOCAL FINANCES SOUND

In the case of California local governments, anything approaching a scrip basis of operations would be especially unfortunate. Intrinsically the cities and counties of the state rank high as well and economically managed entities, deserving of a good credit standing. State laws and local policies have resulted in sound fiscal practices, and a California unit cramped for cash is something of a rarity. This gives the state's municipalities an advantage in the eyes of many investors, with resultant lower interest costs on California local bonds. Although the extent of the disruption to local finances which would result from the acceptance of quantities of scrip in payments is in the realm of speculation, the effect

(Continued on Page 504)

The Farmer Practices

Public Administration

By ALBERT LEPAWSKY

Federation of Tax Administrators

Establishment of conservation districts should bring results of far-reaching importance. Such districts not only seek to conserve the nation's resources but demonstrate the practicability of crossing local government barriers in order to perform essential services.

THE American farmer has scored another victory in the field of public administration, thereby strengthening the belief of some observers of governmental affairs that agriculture, on administrative levels, is one of the most alert economic interests of the country.¹ This time, the farmer's achievement is the establishment of a new set of governmental agencies, known as soil conservation districts, which have been given power (1) to build and operate co-operative soil conservation projects, and (2) to regulate the individual farmer's use of his land, through the enforcement of soil conservation regulations.

The objective of the soil conservation district is of first rank importance in national affairs. The new type of district not only seeks to conserve the national resources and to stop the widespread economic and human suffering resulting from the wastage of the soil and the impoverishment of the farm,

but it also gives some encouragement to public administrators who share the belief that the object of government is to get certain essential jobs done over the barriers of our legal folklore and the hurdles of our administrative habits.

The first soil conservation district was established on August 4, 1937. One year later, on August 15, 1938, there were eighty-six districts, ranging in size from the Shiloh-O'Fallon District of Illinois with 18,000 acres or 28 square miles, to the Meadow Valley District of Nevada with 2,638,000 acres or 4,122 square miles. Only forty-two of the eighty-six districts cover the area of one county or less. Forty-four of them incorporate within their limits the part or the whole of two or more counties, reaching as high as eight counties in the case of two of the districts in Georgia. Border lines tend to follow natural rather than political lines, since the districts are either watersheds or type-of-farming or extent-of-erosion districts. The eighty-six districts are found in nineteen states. A total of twenty-two states have, since January 1, 1937, adopted statutes modelled after the standard soil conservation districts law prepared by the Department of Agriculture.² The soil

¹See "The County Agent," *Fortune*, July 1938. The Public Administration Committee of the Social Science Research Council is now engaged, under the direction of Professor John M. Gaus of the University of Wisconsin, in making a comprehensive historical study of the administration of the Department of Agriculture.

²A twenty-third state, Montana, also adopted an act, but the Department of Agriculture does not regard it as sufficiently inclusive in its provisions to be classed with the other soil conservation acts. See Philip M. Glick, Chief Land Policy Division, Office of Solicitor, U. S. Department of Agriculture, "State Legislation for Erosion Control," *Soil Conservation*, November 1937; U. S. Department of Agriculture Release, May 2, 1938; Soil Conservation Service, Miscellaneous Publication No. 293, "Soil Conservation Districts for Erosion Control"; *Soil Conservation*, November 1937, entire number; U. S. Dept. of Agriculture, "A Standard State Soil Conservation Districts Law," 1936. See also Philip M. Glick, "The Soil and the Law," *Journal of Farm Economics*, May and August, 1938.

conservation district thus represents a spreading nation-wide experiment in the field of governmental regions and administrative areas.

The ideas behind the soil conservation districts are not entirely new. The philosophy of land conservation and resources planning has roots that dig deeper into the soil of American history than the opponents of national planning realize.³ We have in the past established throughout the country a network of drainage districts, levee districts, irrigation districts, conservancy districts, and similar governmental units that, like the soil conservation district, were designed to conserve the land resources of the nation. Similarly, urban zoning and planning, as a means of controlling the use of city land and the volume and type of city buildings, is a well established technique in the United States, two generations old. And it is interesting to note that the soil conservation district laws have incorporated many of the details of city zoning, including, for example, a board of adjustment with power to grant variations to agricultural land-use regulations, comparable to the zoning boards of appeals in cities. Moreover, before the soil conservation district plan went into effect, rural planning of both physical and human resources was given a good start by the studies of forest-depleted areas and by the relocation programs for the residents of the cutover areas in states like New York, Michigan, and Wisconsin.⁴ Even rural county zoning had made its debut as early as 1929, when Wisconsin, by merely amending its city zoning law, authorized its county boards to enact

rural land-use regulations which would determine the boundaries of use districts for forestry, agriculture and recreation.

What is really unique about the power of the new soil conservation district is the assignment to a local governmental subdivision of a wide range of erosion control powers going so far as the enforcement of detailed and extensive land-treatment and land-use regulations binding upon the individual farm. In other words, rural zoning and planning in the United States is literally being brought down to earth. There have long been numerous state laws compelling farmers to exterminate certain disease-bearing plants and weeds, and our drainage districts have long performed the specific function of widening streams or constructing ditches or directing the flow of water. But the soil conservation district can carry out all kinds of engineering and agricultural operations and can enforce legal regulations designed to control erosion. And what is more, it can compel the farmer on his own land to construct terraces, dams, and ditches; to cultivate according to particular technical methods including contour cultivating, lister furrowing, strip cropping; to plant trees and grasses and erosion-preventing plants; to follow specific cropping programs or to practice rotation; and even to retire steep or easily erodible land from cultivation entirely. Violations of duly adopted regulations are punishable by fine, and in addition, the individual farmer may be compelled by court order to perform the necessary work or to pay for the cost of compliance if the soil conservation district officials enter upon his lands to do the job for him.

These are drastic powers for a parvenu among governmental authorities. But such regulations have been deemed necessary to control the evil. The effects of erosion have been found not

³See Clifford N. Hynning's forthcoming study, "Background of State Resources Planning," prepared for the National Resources Committee.

⁴See Charles M. Davis, "Functional Areas in Political Readjustment," *Economic Geography*, January 1938.

to be confined to the land which is neglected or misused. Erosion strikes downhill or downwind, burying fertile soil under dust and gravel, destroying good farms, impoverishing resourceful families, damaging highways, clogging streams, knocking the economic base from whole communities, enslaving the farm population of wide areas, destroying vast markets for consumers' goods, and thereby deepening economic depression. It has been estimated that half of our six hundred million acres of tillable land is at present ruined or tainted by erosion.

VOTERS OF DISTRICT IN CONTROL

What may help to make the apparently drastic administrative measures of the soil conservation districts palatable to the courts, as well as to the farmers, is the large measure of direct participation and democratic control accompanying the district's powers. None of the ordinances regulating farm land-use can go into effect without a majority vote of the land occupiers affected. In twelve of the twenty-two states having adopted the soil conservation districts law, a mere majority is enough; six more states require a two-thirds vote, two states a three-fourths vote, one state 85 per cent, and one 90 per cent. In fact, the soil conservation district is, from top to bottom, a scheme of self-participation and co-operative regulation. In order to set up a district, at least twenty-five farmers must petition the state soil conservation committee, which determines the boundaries of the proposed districts only after a public hearing at which all the land occupiers concerned may have their say. Then the question of creating the district is submitted to a referendum of the occupiers. The occupiers, moreover, elect three of the five supervisors who govern the district for terms of three years.

These elections, petitions, hearings, referenda have been skillfully woven

into the system under which the soil conservation district is to go into effect and to operate: and not only as a mere sop to those who might demand democratic participation or who fear government interventionism, but as one of the means of securing the necessary understanding, participation, and co-operation without which the venture might be superimposed, but never administered.

STATE AND LOCAL ACTION NECESSARY

Another concession to sound administration is to be found in the doctrine of decentralization which dominates the new district. There is no denying the fact that the plan was fostered by the federal government, chiefly the Department of Agriculture, but the entire scheme is based on a skillful balancing of national leadership and local initiative.

The congressional act of 1935, setting up the Soil Conservation Service in the Department of Agriculture, had, within a year, resulted in the establishment of some 141 federal soil erosion control demonstration areas in forty-one states. But it was realized from the beginning that state legislation and local action would be essential to make the national statute which had no compulsory features effective. Foreseeing this necessity, the Secretary of Agriculture was permitted, under the 1935 act, to require, as a condition to his approval of grants and projects of the Soil Conservation Service, the enactment of suitable state and local soil erosion laws.

Law and action are thus decentralized, but the leadership and direction continue to emanate from Washington. The Department of Agriculture, through its newly created Land Policy Committee, undertook the task of putting the state and local administrative machinery into legal terms by drafting the standard state soil conservation districts law.

With some modifications this standard act was adopted in twenty-two states, again under stimulus from Washington. The President, for example, in a personal letter urged the governors of the forty-eight states to recommend to their legislatures the adoption of soil conservation district laws. Experts from the Department of Agriculture visited the states and explained the provisions of the standard act when called upon to do so.

Although the administrative machinery for the enforcement of the soil conservation acts is under control of the districts and the states, the Department of Agriculture is tied in with the actual operations in a consultative and advisory capacity. The state soil conservation committees (which define the boundaries of the districts, encourage the organization of districts, help districts interchange experiences, and help to coördinate district programs) may contain an appointee of the Secretary of Agriculture⁵ in addition to the state commissioner of agriculture or conservation, the state director of agricultural extension and the director of the state experimental station. The last two state officials on their part have direct administrative and financial dealings with the Department of Agriculture in connection with numerous other agricultural matters. The district supervisors themselves are five local land occupiers, but two of them may be appointed by the state committee.

The districts can also secure direct aid, financial and technical, from Washington. Such aid consists of (1) technical personnel to assist in surveying and planning; (2) supplies of new and uncommon erosion-resistant plants; (3) modest monetary grants for materials, supplies, and equipment; (4)

skilled and unskilled labor provided either through the Citizens Conservation Corps or the Soil Conservation Service. The Department of Agriculture has been careful to warn the districts that such aid and supplies will not be as bountiful as heretofore in other federally sponsored programs. In issuing this warning, the department's object has apparently been not only to avert a heavy burden on Washington, or to maintain a high level of local initiative, but also to solve the sheer technical and administrative difficulty arising from the fact that "federal procurement on a large scale necessarily involves important and essential regulations and procedure. A staff adequate to handle requisitions, records of accountability, and other administrative detail would be both large and costly."⁶

NATION AND DISTRICTS COÖPERATE

Administrative coöperation between Washington and the districts is further provided for by means of detailed co-operative agreements known as "memoranda of understanding" entered into between the soil conservation district and the United States Department of Agriculture. The memoranda of understanding conditions the granting of services and aid upon the adoption by the district of certain standard practices, including, for example, a standard form of coöperative agreement with land owners providing for soil conservation work to cover a period of not less than five years. Moreover, before the memorandum of understanding can be entered into, the district must have adopted "a comprehensive coördinated work plan for the conservation of soil resources," and the work plan is incorporated into the memorandum as an appendix. Of

⁵As a matter of practice, the secretary of agriculture does not take advantage of this power, but appoints only advisory members.

⁶Dillon A. Myer, Chief Division of Co-operative Relations and Planning, Soil Conservation Service, Department of Agriculture, "The Next Step: Emphasis Shifts to District Plan," *Soil Conservation*, November 1937.

the eighty-six existing districts, forty-four have already entered into such agreements with the Department of Agriculture.

All this constitutes a careful combination of central planning and local administration. The agricultural administrators have studied and analyzed the problem of conservation, not only in terms of preventing soil waste or preserving price parity for the farmer, but also in terms of the administrative and legal barriers that are invariably thrown up to resist its solution. They have incorporated into their soil conservation district experiment a number of devices, some of which are new while others are borrowed from our experiences in the field of resources planning and urban zoning:

(1) A unique governmental subdivision without the power to tax and with an area of administration that has to follow topographical lines and therefore cannot be identified with any of the overly abundant local government areas now existing. The Department of Agriculture in publicizing the standard soil conservation districts law admitted that "there now exist too many local government subdivisions," but it justified a distinctive governmental unit, because no other authority conformed with the area necessary for conservation administration. Moreover, the district is not subject to the traditional objection against overlapping government, since it is given no independent taxing power.

(2) A system of compulsory land use regulations combined with popular control over their adoption and enforcement by the land occupiers subject to them. Agricultural government thus combines some degree of compulsion with democratic administration.

(3) A wide range of powers to operate all sorts of soil conservation

devices now being used in the field of agriculture. Enumerated and general powers leave room for all possible agricultural techniques available now and in the future.

(4) Direct relationships with Washington, resulting in central technical aid and services together with local planning and administration.

(5) Inclusion of the state level of government, partly for advisory and partly for administrative purposes. While the districts have been set up as independent authorities capable of negotiating with the federal government, the states have not been entirely bypassed.

(6) The weaving into the scheme of standard legal arrangements, including standard coöperative agreements between land owners and soil conservation districts, standard memoranda of understandings between districts and the Department of Agriculture, comprehensive coördinated work plans for the district, standard state soil conservation district laws. The translation of administrative relationships and procedures into precise terms and enforceable legal documents, without permitting the legal symbols to become ends in themselves but merely means to accomplish desired social policies, is perhaps one of the principal accomplishments of the new soil conservation districts. In order to put all of this legal and administrative machinery into operation our agricultural administrators did not hesitate to plan and even elucidate the necessary legislation.

Perhaps it is by such means, using all proper devices at hand in order to achieve aims that have been adopted as matters of policy, that we may push forward the frontiers of prudent practice in the field of public administration.

Nebraska's Unicameral Legislature

Saves Money for Taxpayers

By L. E. AYLSWORTH
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Claims of its advocates that adoption of a one-house body would result in a marked reduction in legislative costs fully substantiated by figures now available.

SEVERAL incomplete, very inaccurate or biased statements regarding the cost of Nebraska's unicameral legislature have been published and are being circulated. A statement of the actual facts that is complete, accurate, and impartial appears to be needed and worth while, in order that interested citizens the country over may be rightly informed. The following presentation, based on a thorough examination of the record of legislative expenditures in the office of the state auditor, attempts to achieve this result.

The constitution of Nebraska contains the unusual provision that "the auditor shall within sixty days after the adjournment of each session of the legislature, prepare and publish a full statement of all moneys expended at such session, specifying the amount of each item and to whom and for what paid." This statement gives all legislative expenditures until three to six weeks after the regular session ends. It has always included the total salary of members for their entire term unless a special session was held later. But it has never included all the expenditures of a legislature during its term. These continue for over a year and a half until the next legislature meets. Such expenditures have included in the past the preparation and publication of the permanent senate and house journals and the ses-

sion laws, also the custodial care of the chambers and other rooms devoted to legislative purposes. Under the unicameral system they now also include the salaries of the members, expenses of the office of the permanent clerk, and of the legislative council for the rest of the term. These post-session expenditures, therefore, have to be taken into account in order to arrive at a complete and accurate statement.

Legislative costs in Nebraska under the bicameral system, while usually greater than necessary, have been moderate compared with those of many other states, and never flagrantly excessive. Nevertheless, unicameral advocates urged that the adoption of a smaller one-house legislature would result in a marked reduction in legislative costs even though the salary of members was more than doubled. A careful examination and comparison of the records show that they fully substantiate this claim.

Nebraska's first unicameral legislature, despite statements to the contrary,¹ both appropriated and expended much less for legislative purposes than any of its bicameral predecessors for over a decade. The average appropriation of the last five bicameral legislatures was \$220,793.63 for regular sessions only, and \$240,893.63 if the three

¹"The total cost of the unicameral session . . . was \$237,581.96, an increase in round numbers of \$32,000 over the cost of the . . . most expensive bicameral session in the history of the state." See G. E. Price, *Unicameralism in Practice, The Nebraska Legislative System*, p. 173. H. W. Wilson & Co., New York, 1937. This glaring misstatement is due mainly to three errors: the counting of the annual \$37,500 salary three times instead of two; the inclusion of a vetoed appropriation of \$10,700; and the figuring of appropriations as actual expenditures.

	<i>Appropriations for Unicameral Legislature</i>	<i>Unexpended Balances</i>	
		<i>Sept 1, 1938</i>	<i>Dec. 31, 1938</i>
Incidentals (by legislature 1935)	\$2,000.00	None	None
Salary, members	75,000.00	\$8,600.26	\$0.26
Employees, supplies, etc.	77,143.60	6,052.53	4,500.00
Printing Journal, Session Laws	10,000.00	5,936.08	5,936.08
Salary of permanent clerk	7,200.00	3,000.00	1,800.00
Legislative council	15,000.00	10,562.67	8,000.00
TOTAL	\$186,343.60	\$34,151.64	\$20,236.34

special sessions are included. The average expenditure was \$194,479.94 for regular sessions, and \$211,733.46 for both regular and special sessions.

The total appropriations by the unicameral body for legislative expenses with their unexpended balances are shown by the tabulation above.

The \$4,500 and \$8,000 balances on December 31, 1938, (the end of the

term of the present legislature) are conservative estimates. At the present rate of expenditure they are likely to be somewhat larger. The other three balances are definite and sure.

The following detailed comparison of the expenditures of Nebraska's last bicameral and first unicameral legislatures brings out clearly the lessened cost of the latter not only for salaries but also for other expenses:

COMPARATIVE COSTS OF 1935 AND 1937 LEGISLATURES*

	<i>Bicameral Legislature, 1935-36</i>			<i>Unicameral Legislature, 1937-38</i>
	<i>Regular Session to Dec. 31, 1936</i>	<i>Special Session to Dec. 31, 1936</i>	<i>Total for Both Sessions</i>	<i>Regular Session to June 30, 1937</i>
Salaries:				
Members	\$106,660.00	\$13,300.00	\$119,960.00	\$37,499.87
Officers	11,142.00	2,135.50	13,277.50	4,510.50
Employees	34,338.89	5,125.40	39,464.29	26,867.06
Supplies	7,828.88	1,701.46	9,530.34	3,612.11
Printing	26,106.12	2,954.72	29,060.84	15,267.13
Telephone and Telegraph	692.24	268.23	960.47	388.19
Postage	7,287.40	1,221.65	8,509.05	6,300.00
Travel expenses:				
Mileage	3,698.40	3,679.50	7,377.90	565.11
Special	1,034.85	170.48	1,205.33	188.36
Expert assistance:				
Legislative reference bureau	4,000.00	—	4,000.00	4,000.00
Legislative counsel	1,180.00	340.00	1,520.00	4,697.05
Special legal, auditing, stenographic, and medical	1,317.65	176.90	1,494.55	—
Journals:				
Preparation	2,950.00	572.00	3,522.00	—
Printing	5,470.70	1,074.75	6,545.45	1,477.12
Session laws:				
Preparation	856.50	437.00	1,293.50	—
Printing	4,482.26	2,302.92	6,785.18	2,586.80
TOTAL	\$219,045.89	\$35,460.51	\$254,506.40	\$107,959.30

*In this comparison the salary of the lieutenant-governor is eliminated for all three sessions because the attorney-general holds that he is an executive officer whose salary is not a legislative expense.

TOTAL UNICAMERAL EXPENSES TO JUNE 30, 1937 (FORWARD)		\$107,959.30
<i>Unicameral Expenditures from July 1, 1937 to September 1, 1938</i>		
Salaries of 43 members—three-quarters, 1938		\$28,899.87
Clerk's office		
Salary of clerk	\$4,200.00	
Salary of secretary	1,830.00	
Custodial service	2,112.40	
Renovating legislative chambers	1,231.90	
Other expenses	1,521.26	
		10,895.56
Legislative Council		
Expenses, members	\$963.89	
Assistants payroll	2,798.22	
Other expenses	675.22	4,437.33
		44,232.76
<i>Expenditures from September 1, 1938, to December 31, 1938</i>		
Salaries of 43 members		\$8,600.00 ^a
Clerk's Office		
Salary of clerk	\$1,200.00 ^a	
Secretary, custodial service, and supplies	1,552.53 ^b	
		2,752.53
Legislative Council		2,562.67 ^b
		13,915.20
TOTAL UNICAMERAL EXPENDITURES FOR BIENNIUM		\$166,107.26
^a Definite ^b Estimate		

Inspection of this comparison shows that the total cost of the unicameral legislature for the biennium, including the expense of both the permanent clerk's office and the legislative council, will be only \$166,107.26 as against \$219,045.89 for the regular bicameral session—a reduction of \$52,938.63 or 24.17 per cent. If the expense for the legislative council be excluded for two reasons: first, that it is a new institution not provided for by the bicameral legislature; and second, that its function is to gather and prepare material for the use of the next legislature, the saving jumps to \$59,938.63 or 27.36 per cent.

These comparisons are all on the basis of one regular session for the biennium. But, what about the comparative cost of unicameral and bicameral in case a special session is found necessary? In 1930 the total cost of a special session of eleven days was \$23,861.06, and the next year for another of equal length, \$26,746.05.

The special session of twenty-four days in 1935 cost a total of \$35,460.51. A little thought will show that the additional cost of a special session under the unicameral set-up will be much less than this. There will be no extra expense for the salaries of the members and the permanent clerk. The extra mileage expense will be only one-sixth of what it was formerly. Other expenses will also be less. Hence a special two- to four-weeks session of the unicameral can be held at an extra cost of \$10,000 or less. This would make a total of only \$176,107.26 for a regular and a special unicameral session as compared with \$254,506.40, the cost of the two sessions of the last bicameral legislature—a saving of \$78,399.14 or 30.8 per cent.

The chief saving as predicted is in the salaries of members and officers. There is a saving in the expense for employees but not so much as expected. The amount of work and correspondence devolving upon the forty-three

members was probably as great as that upon the 133 members of any bicameral session. Hence more secretarial assistance was needed. Then, too, committees were supplied with secretaries as never before, to promote the keeping of better records of their proceedings. This expense for assistance was well worth while. In the future, doubtless more care will be exercised to assure the selection of somewhat fewer and, in some instances, more highly qualified employees. There is a striking drop in mileage and special transportation. The expenditure for the latter of only \$188.36 is phenomenally low. There was certainly nothing even suggestive of legislative junketing in the record of the unicameral body. In fact for this small expense to the taxpayers all or a part of the committee on appropriations, without prior notice, visited and inspected all the state institutions, some twenty-five in number, without a single exception, a record hitherto unequalled.

Another very noteworthy decrease in cost is that for the preparation and printing of the permanent legislative journal and the session laws. The last bicameral legislature spent \$4,815.50 for preparing, and \$13,330.63 for printing, its permanent journals and session laws, a total of \$18,146.13. The cost of printing the unicameral journal and session laws was only \$4,063.92. The preparation for printing was done by the permanent clerk and staff. The difference, \$12,082.21, is more than enough to pay all the extra expense of the permanent clerk's office for the entire biennium.

The unicameral expenditure for postage while less than formerly is probably too high. The body persisted in continuing the very questionable practice of a flat postage allowance per day for all members. This was elevated from thirty-five cents to one dollar, or \$98.00 to each member for the ses-

sion. No doubt some members actually spent this, or even more, for official purposes. But in too many instances this allowance was to a large extent an unjustifiable personal perquisite. This fixed daily allowance should be abolished and the postmaster authorized to record and stamp all official mail presented by any member.

For only one aspect of legislation did the unicameral legislature appropriate and spend more than any bicameral legislature, namely, expert assistance and counsel. Some \$8,700 was spent during the session for such aid, or \$3,500.00 more than by the last regular bicameral session. Impressed by the number of important acts passed by the last two legislatures that had been stricken down by the state supreme court as unconstitutional, the unicameral legislature broke new ground by spending \$4,700 for a special group of three legislative counsellors to pass on the constitutionality of bills as to which there was any doubt. A similar increased recognition of the need of planning, research, and competent assistance in order to secure proper and effective legislation and records was shown by the establishment of the permanent clerkship and the legislative council with special appropriations of \$22,200 for their expenses.

A final observation seems pertinent. The \$50,000 to \$75,000 reduction in legislative costs by the first unicameral legislature, compared with the last bicameral, will doubtless appear small to many in these days of huge governmental expenditures, and more so in some other states than in Nebraska. But it is the percentage of reduction, not the amount, that is of vital importance. A like reduction in legislative costs in Illinois would equal from \$300,000 to \$400,000 each biennium, and in Pennsylvania from \$500,000 to \$600,000.

Public Personnel Administration

THE special significance of sound management in the public service arises in part from its magnitude, in part from the character of the services which it provides. Government in the United States requires over 3,000,000 full-time officials and employees, scattered among 175,000 jurisdictions, large and small. The scope of the management problem is more precisely indicated by referring to the official services of a few jurisdictions. Thus the largest employer in the United States is the federal government, with a pay roll of about 825,000 persons, excluding relief workers. To manage the affairs of New York City, about 96,000 employees are required; the state of New Jersey employs about 10,000; the Tennessee Valley Authority over 15,000 during the period of dam construction. Among these thousands practically every profession, calling, and skilled trade find their representatives.

Public personnel administration is therefore large-scale management, emphasized in many cases by the continental dispersion of officials and employees. Its social significance arises from the nature and quality of its services, designed to facilitate the safety, comfort, convenience, and security of 130,000,000 people. It is consequently of cardinal importance that sound management principles and methods be observed, both to eliminate avoidable waste and to secure in greatest measure the social ends in view.

A substantial degree of success has already been achieved in eliminating politics from the public service. The educational system is practically free from partisanship; the scientific, professional, and technical services are maintained on a high level; no less than 532,000 positions in the federal service are under the merit system, and Presi-

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Sound management principles and methods of prime importance in the task of directing the more than three million employees of national, state, and local governments in this country.

dent Roosevelt, by executive orders made public June 24th, extended competitive civil service requirements as of February 1, 1939, to 100,000 additional positions. A recent analysis indicated that of the total number of public positions in the United States over two-thirds were protected by formal standards of one type or another.

It is principally within this area that public personnel administration has developed its best techniques. In the United States emphasis has been upon management, not law, and in this respect our literature differs from the literature of public administration of continental countries.

The management of personnel in this country is shared by the operating departments and a central personnel agency. To the departments is left a large degree of responsibility for such operations as formal appointment from lists of eligibles, assignment, determination of duties, supervision, training, transfer and reassignment, promotion, and usually discipline.

To the central personnel agency is given responsibility for recruitment by means of various types of open competitive examination, certification of qualified eligibles, the classification of positions established by the departments on the basis of their duties and responsibilities, the development and supervision of an efficiency rating (service rating) plan, the determina-

tion of eligibility for retirement pensions (less frequently eligibility for compensation for injury), and in some cases the hearing of appeals on disciplinary matters. In general the range of activity of the central personnel agency is increasing, but not rapidly.

Historically, the central personnel agency in the United States has been a civil service commission, usually composed of three members and usually appointed by the chief executive for a term of six years, one member retiring every second year. Such an agency was designed to be independent of control by the elective, political chief executive. It reflected the early interest of civil service reformers in protection of the public service against partisanship. The first civil service commission was that of the United States government, established in 1883. There are now 485 similar commissions in the states and their subdivisions.

DIRECTOR VS. COMMISSION

More recently there has been a movement of opinion in favor of a personnel director, in lieu of the civil service commission, appointed by the chief executive and directly responsible to him. City managers generally prefer this form of organization: it has been adopted in a few cities, and in the states of Maryland, Maine, Arkansas, and Michigan, sometimes with an advisory or limited jurisdiction commission; and it has been recommended by President Roosevelt for the United States government. This form of organization reflects a desire for a more positive rôle for personnel management; it borrows directly from business practice, and reveals confidence in the good intentions and capacity of the chief executive. Opinion of students of management in government varies as to the preferred type of organization, but the trend appears to be in the direction of the personnel director.

A word may be added on a related

point. The original conception of the central personnel agency was that of the policeman, the external authority which enforced the requirements of the law of public employment and the civil service regulations. While the need of an enforcement authority has not vanished, much greater emphasis is now given to the rôle of the central personnel authority as a service agency, designed to aid the operating units in handling their personnel problems.

This point of view leads directly to the recognition of personnel administration as a branch of overhead management. The recent report of the President's Committee on Administrative Management emphasizes this relationship, and proposes to make the civil service administrator one of three principal management agencies of the President, the other two being the director of the Bureau of the Budget and the chairman of the National Resources Committee, an organ of central planning.

We may now turn to consider a few of the principal techniques employed by the American personnel agencies, concentrating attention on those which are both characteristic of American practice, and also rather sharply differentiated from the practice of European countries.

1. *Examination Techniques.* English and American examination methods differ at many points. The former are closely related to the educational system, designed to draw into the public service the best product of the secondary schools and universities; the latter are only incidentally related to the school system and are designed to test the fruits of experience on particular tasks rather than of general education.

American examinations are designed as a rule to test present ability to do a specific designated job. Much experimental work has been done to develop tests whose predictive value can be

ascertained. In form these tests are short answer, true-false, multiple choice, completion, relations, and others. This type has generally replaced the free answer type, especially for junior posts. In objective, they are intended to test general intelligence, knowledge, aptitudes, or skills, occasionally attitudes. Many exceedingly ingenious short answer tests have been developed, and their results subjected to statistical analysis to determine their validity and reliability. Indeed experimental work in the technique of testing is one of the principal characteristics of American public personnel procedures. Illustrative examples are printed in the annual reports of the United States Civil Service Commission since 1924.

2. *Duties Classification.* Commencing about 1910, much attention has been given to the precise definition of positions on the basis of their respective duties and responsibilities. The purpose in view is to throw all like positions into a single category, irrespective of departmental lines, so that incumbents of the same class of positions will receive the same rate of pay, will have the same line of promotion, and so far as possible will have the same opportunity for a career.

The description of positions in a duties classification is referred to as a specification, and usually includes the title of the position, a very careful and precise statement of duties (sometimes a formal definition as well), a statement of the minimum qualifications required to perform the work in question, and usually an indication of the lines of promotion. In addition, the scale of compensation is appended, although the pay structure is an independent entity, related to but not technically a part of the classification scheme.

Classification has become one of the standard techniques of public person-

nel experts, widely recognized as forming, with examinations, the basis of sound personnel management. A well constructed classification system, with accurate allocations of jobs to classes of employment, has been found exceedingly useful in preparing examinations, in setting equitable rates of pay, in facilitating transfers and promotions, in preparing efficiency ratings and in other personnel operations. It may be added that the technique of duties classification is an indigenous American product.

3. *Efficiency Ratings.* For twenty years there has been an intensive search for a satisfactory method of recording and evaluating performance on the job. While several ingenious forms of ratings have been devised, no one has yet been accepted as standard, and wide variety exists as between forms actually in use. In general, it may be stated that the ideal rating form as visualized by Americans, is "objective," brief and easily administered, and reliable. The ideal remains as yet unattained, but belief in the need for a rating system is universal.

TYPES OF RATING

For ten years the federal government employed a graphic rating scale, which recorded achievement on fifteen qualities, and which resulted in a numerical grade carried out to the hundredths of one per cent. This high degree of formalism was abandoned in 1935 in favor of a more flexible system which permits a record of certain qualities and results in an allocation to one of five grades, ranging from very satisfactory to poor.

A different type of rating scale was invented by Mr. J. B. Probst of St. Paul, which consists in essence of an elaborate personality inventory including over eighty items, from among which the rating officer selects the fifteen or twenty which characterize any individual. Each item has a weight ar-

rived at by extensive experimentation, and the results are stated on a letter scale having eleven categories.

The New York City Civil Service Commission devised a method in 1936 which requires the submission of specific evidence which can be verified by investigation as the basis for an exceptional efficiency rating. This system tends to defeat a common tendency to award high ratings to most employees, and to objectify the grounds for unusually high grades. Central review by the commission tends to standardize the criteria of judgment.

In cases in which a record of production is feasible, it forms the best performance rating. For many types of positions in the public service, this is impossible and recourse is had to some form of judgment rating. While the results are often unsatisfactory, there is nevertheless a widespread conviction that some recurrent record of performance should be kept.

4. *In-service Training.* This phase of modern personnel work is of recent origin. It is exemplified by police and fire-fighter schools, various short courses conducted by state leagues of municipalities, and by the Graduate School of the United States Department of Agriculture, all official in nature; and among many unofficial undertakings, by the programs of Harvard University, the University of Minnesota, and American University in Washington, D. C.

In-service training is, by definition, concerned with the further education or training of present members of a governmental organization. It is not designed for cultural purposes, but for more efficient performance of present or prospective responsibilities. It is to be sharply contrasted with *pre-entry* education or training for subsequent public service positions, the task of sec-

ondary schools and technical colleges, liberal arts colleges, and universities.

Provision of in-service training is one recognition of the public service as a career. It implies selection from within the service for appointment to higher posts, but as yet this is hardly the rule, excepting in certain services, such as police and fire in municipal government, and the United States Public Health Service and others in the federal government. It is defensible as the least expensive and most satisfactory method of utilizing the potential human resources of an organization. It improves *esprit de corps*.

A BALANCED PROGRAM

These are only a few of the phases of a well rounded personnel program in the public service. In addition to recruitment and classification, efficiency ratings and in-service training, a balanced program will be concerned with other factors. These include a plan for the fixing of salary scales, means of facilitating the proper placement of employees, their transfer from time to time, intelligent supervision, a promotion plan, protection against arbitrary discipline which at the same time safeguards the proper use of authority, and a retirement plan which provides for the contingencies of old age and disability. A complete program will also make provision for a variety of services, such as instruction in safety methods, health and hospital insurance, maintenance of credit unions or other credit facilities, and various types of recognition which make for high morale. Management will recognize also the right of public employees to organize and to present their claims or grievances as a group. Finally, no program of public personnel administration is complete which lacks means of testing operating results and which fails to make some provision for research leading to improved methods.

European observers will note two gaps in American methods. We have not devised any tested means of discovering administrative talent at an early date, nor of developing the administrative skill of those who may be presumed especially competent. In this crucial, constructive and creative area we proceed by chance or by rule of thumb, deprived of help from science or management. Most European systems are but little better off than the American in this respect.

Europeans will also observe a lack of the formal disciplinary procedure which characterizes many continental jurisdictions. The business philosophy of "hire and fire," tempered by the absence of competitive pressure, tends to dominate public service discipline, rather than the administrative law procedures of the continent. Public administration in America, in fact, is still deeply affected by its dual inheritance, politics and big business, an inheritance of quite a different order from that which underlies the public services of Great Britain, France, Germany, Holland, or Sweden.

It is principally due to "politics" that no satisfactory line has been drawn between the permanent and the policy-forming levels of administration. In any administrative agency we recognize the desirability of placing the highest responsible positions at the disposal of the party in power, in order to insure ultimate popular, democratic control. The number of such positions is small, including principally the head of the department, one or more assistant heads, one or more executive assistants, and a few confidential secretaries.

In most cases positions of bureau chief and all lesser positions fall in the permanent, technical, or professional branches. The reason for excluding these positions from replace-

ment for party reasons is partly because they have little, if anything, to do with policy, partly because they require above all the expertness which only continuity of service can bring, partly because they must serve as the principal prizes to attract able juniors into a career service.

In fact, however, the line of differentiation between policy-forming and policy-executing positions has been drawn to favor the power of party to appoint on a broad scale. In the federal service, however, a sound allocation is usually found in the older establishments. A systematic exposition of the considerations which govern the assignment of positions to each of the two major categories has not yet been made.

RESEARCH GROUPS

One symbol of a progressive art or science is the existence of research agencies concerned with the discovery or invention of new methods. The art and science of public personnel administration have their research facilities, both official and unofficial. One of the principal units is the research division of the United States Civil Service Commission, organized in 1924 and charged primarily with the responsibility for development of standardized examinations. It has, however, carried on inquiries into many aspects of personnel administration. Many of the larger state and municipal civil service commissions carry on specific inquiries arising from their operating problems.

The Civil Service Assembly of the United States and Canada is in part a research organization, and the former Bureau of Public Personnel Administration which once served as the agent of the Assembly carried on considerable research and publication. The Personnel Federation and the Taylor Society are primarily concerned with

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Coöperative Purchasing in the United States and Canada

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Experiments in scattered instances with cooperation in the purchase of supplies for local units of government suggest that extension of the idea should prove efficient and economical.

THE advantages arising from the pooling of buying power and the coöperative purchasing of supplies, materials, and equipment by separate and distinct units or corporations seem to have been realized first by business. The first such retail buying associations in this community, according to Professor W. L. White, were four in the drug trade and four in the grocery trade, established between 1887 and 1900.¹

Since that date coöperative purchasing in business has become quite a common and accepted thing. Indeed, in the past few years "buying pools" have been formed by business "giants" in order to meet the competition of "supergiants." Thus, in 1934 it was reported that a buying pool named Food Distributors Association, Inc., had been formed by the Kroger Grocery and Baking Company, Safeway Stores, Inc., First National Stores, Inc., American Stores Company, and the National Tea Company, to meet the competition of the Great Atlantic and Pacific Tea Company. In the same year it was announced that about two hundred leading department stores, in-

cluding such big names as R. H. Macy and Company, John Wanamaker, The May Company, and J. L. Hudson Company would extend their buying pool to meet the competition of the five-and-ten-cent chains, the five-cents-to-one-dollar stores and the mail order houses.²

Outside the field of private business, and bordering on that of government, is the work of the Hospital Bureau of Standards and Supplies of New York City. Beginning in 1910 as a coöperative buying pool for four voluntary hospitals it has expanded until its present membership consists of 210 voluntary non-profit-making hospitals located from Maine to Texas, and from New York to Kansas. The volume of purchases has grown in twenty-seven years from \$25,000 to \$2,100,000 per year, covering almost everything used in a hospital.

Member institutions pay dues of \$200 a year if their expense budget exceeds \$50,000 annually, and \$100 if their annual expenses are less. When commodities are purchased through the bureau under jobbing arrangements, the members must pay in addition a 2 per cent service charge. The bureau's budget now approximates \$60,000 a year; and it has built up a cash reserve of \$100,000 with which it pays for the goods bought through it.

The services of the bureau are fourfold: (1) a price quotation service, from a nation-wide viewpoint, on hospital supplies and food stuffs; (2) buying arrangements based on the pooled requirements of the member institutions; (3) technical advice based on

¹W. L. White, *Coöperative Retail Buying Associations*, McGraw-Hill, 1930.

²*Business Week*, August 4, 1934, and September 22, 1934.

research, laboratory analysis, and the experience of the membership; and (4) special information as to sources of supply, prices, use-value, etc., upon request.

The bureau claims that "the information received through bureau membership alone will enable any institution to save on the average fully 10 per cent on its purchases of the kinds of supplies handled by the bureau, regardless of the source through which its purchases are made." The growth of the bureau's membership and volume of business would seem to indicate the merit of this claim.

Although government-operated hospitals are eligible to membership, none participated in this coöperative purchasing association.

In comparison with the record of private business, coöperative purchasing by governmental units in this country is in its infancy. Despite its youth it has an interesting and instructive history.

CANADIAN SCHOOLS COÖPERATE

The earliest known example of co-operative governmental purchasing on this continent is that of the Saskatchewan School Trustees' Association, whose headquarters are in Regina. This Canadian experiment began in 1924, and has a continuous record to date. Until 1932 the association published a catalogue, the copy for that year containing forty pages. The catalogue lists school furniture, blackboards, heating systems, books, and the usual school room supplies, including physical science apparatus. The cost of publishing it was met by the vendors whose products were advertised. Poor crops and the depression proved a setback, and the volume of business since 1932 has not warranted printing more than a price list.

The operation of the Saskatchewan system may be described briefly as follows. The association asks for bids to cover the orders for supplies received from the various schools. The school then orders through the association's office, and the vendors ship direct to the school and collect from them. The association charges 2 per cent to cover its cost in the operation.

The School Trustees' Associations of Saskatchewan, Alberta, and Manitoba have coöperated for the past eight years to reduce the cost of school fire insurance as far as possible without sacrificing security. These associations have arranged with three Canadian mutual fire insurance companies to use premium income in excess of the amount required to meet losses and necessary operating expenses to reduce premium rates on the schools insured. Policies of \$2,000 and over are reinsured with underwriters of London, England.

At the end of 1937 it was reported that 5,550 schools were insured through this coöperative plan, the volume of the insurance amounting to \$12,536,559, an increase of \$286,000 during the year.

To prevent fire losses, and further reduce the cost of fire insurance, the School Fire Insurance Committee each year circularizes every school secretary in the three provinces, urging the trustees to personally inspect school property for fire hazards, and return a report on their findings to the committee. These reports are later forwarded to the fire insurance companies for their information. Since May 1937 all schools insuring under the coöperative plan have been given fire extinguishers by the companies free of charge. This is the result of a suggestion of the committee, which is calculated to reduce fire losses and again lower rates. The cost of fire insurance premiums

has been reduced one-third under the coöperative plan.³

Next in order of development is the coöperative purchasing system of eight schools situated near Alamosa in the San Luis Valley, Colorado. The superintendents of these schools have engaged in this undertaking since 1927, buying coöperatively this past spring for the eleventh consecutive time. Supplies are purchased in two classes: (1) janitors' supplies, and (2) flat paper and miscellaneous supplies. It is assumed that there will be a carload of janitors' supplies and the vendor must pay the transportation charges to each school.⁴

The largest coöperative governmental purchasing association known in this country, from the standpoint of governmental units purchasing, is the Kansas School Purchasing Association, now known as The School Purchasing and Supply Association, of Sterling, Kansas. Beginning its activity in 1930 it now has something over five hundred active accounts, or schools, participating. In addition to schools in Kansas, some of those in Oklahoma and Nebraska participate in the purchase of school supplies, office equipment, janitor supplies, class jewelry, trophies, caps and gowns, and diplomas. The volume of such coöperative buying during 1937 amounted to \$52,000.

CINCINNATI A SHINING EXAMPLE

The coöperative purchasing association doing the largest dollar volume of business is that operating in Cincinnati and Hamilton County, Ohio, organized in 1931. The county of Hamilton, the public library, the city of Cincinnati,

the University of Cincinnati, and the city school district of Cincinnati coöperate in the purchase of some 150 different commodities.

With respect to the volume of business, Mr. Harry Wagner, Cincinnati's purchasing agent, states: "Accurate figures showing the extent of our coöperative buying during 1937 are not available. However, I would say that a conservative estimate would be in the neighborhood of \$500,000. This figure includes more than 1,000,000 gallons of gasoline, 100,000 tons of coal, and such items as automobile tires, automobile lubricating oils, industrial lubricating oils, cement, gravel, sand, and miscellaneous road building materials, and miscellaneous items included under the general classification of cleaning supplies, stationery, and mill supplies."⁵

The Educational Buyers' Association is a professional association of the purchasing agents of American colleges and universities, organized in 1921. It includes representatives of 316 institutions of higher learning, about 10 per cent of which are supported by governmental funds. Although coöperative purchasing was discussed by this group for years, it was not until 1935 that the experiment was undertaken. Unusual problems faced this group because their institutions were scattered over the entire country, having, therefore, varying needs, price conditions, and transportation problems. For some time an effort was made to secure from vendors a special price for members of the association. "This did not work successfully, however, because after the other sources of supply learned of the prices and discounts, they would also lower their prices to that point. However, with the new method in purchasing, we are buying and selling as a sep-

³Taken largely from "Report of School Fire Insurance Committee for the Year 1937," by R. H. Heane, *The School Trustee*, published by the Saskatchewan School Trustees' Association, Vol. 8, No. 8 (April 1938), p. 10. "Coöperative Buying for Schools," by C. P. Young, *American School Board Journal*, July 1936, p. 28.

⁵Letter to writer dated August 26, 1938.

arate corporation and each member will participate in the profits. We can buy at given prices and sell at the prevailing market price in the particular location of the member who wishes to make the purchase. In this way we are not breaking down the price structure and we are not quoting our cost to the member."⁶

The association is interested in such commodities as the following: metal files, metal and wooden tables, steel desks, rag stock paper, mimeograph paper, electric lamps, paint, certain hardware, electrical supplies, floor wax, library cards, shade cloth material, file cards, dies, and folders. Mr. Johnson estimated the volume of coöperative purchasing done by the association in 1935 to be \$156,000.

Three different school coöperative purchasing associations are known to have given up this interesting activity. The reasons for their abandoning coöperative purchasing are instructive.

In 1930 fourteen schools in northwestern Illinois organized the Blackhawk School Purchasing Association under the leadership of Mr. M. R. Stephan, then superintendent of schools of Stockton, Illinois. Vendors were asked to bid on the combined requirements of all the schools, and then the individual schools ordered from the successful bidder, the supplies being shipped directly to the school concerned. The volume of business approximated \$2,000 per year. Mr. Stephan advises that the inauguration of the NRA and a reduction in the price of school supplies during 1934 com-

bined to cause them to drop coöperative purchasing.

In 1932 and 1933 nine of eleven schools in Hennepin County, Minnesota, purchased school supplies coöperatively. "Later on, one or two superintendents failed to observe the coöperative buying policy and placed their business elsewhere with other companies who had failed to receive any business in the coöperative plan and the prices made to these independent superintendents was such that it threw the coöperative buying idea into disfavor." There was also a feeling that local suppliers should be patronized when their prices were no higher than those obtained from bids on pooled buying power.⁷

The North Country School Association, composed of schools near Berlin, New Hampshire, bought supplies coöperatively in 1932.⁸ Mr. L. P. Young, superintendent of the Berlin public schools, explains the fact that these schools purchased coöperatively for only one year as follows: "Although some savings were made there seemed to be too many objections to warrant continuing the practice. Some of the objections were: (1) superintendents of different school districts did not agree as to which quality of an article was most economical to purchase; (2) superintendents did not want all articles shipped to a central stock room; (3) supply houses objected to giving quantity prices and then shipping and billing to several different points and boards of education; (4) supply houses and salesmen did a great deal of talking to discourage it."⁹

⁶Letter dated July 22, 1938, from Mr. Theodore M. Johnson, treasurer, Educational Buyers' Association, New York University. But see also "The Coöperative Purchasing Plan of the Educational Buyers' Association," by Theodore M. Johnson, *Association of American Colleges Bulletin*, Vol. 22, p. 652, December 1936; also "The Educational Buyers' Association," by George R. Kavanaugh, *Junior College Journal*, May 1936, p. 405.

⁷"Coöperative Buying in Schools," by O. S. Glover, *Minnesota Journal of Education*, November 1932, and letter to writer dated August 15, 1938.

⁸"Buying School Supplies Coöperatively," by L. P. Young, *American School Board Journal*, May 1933.

⁹Letter to writer dated August 9, 1938.

Perhaps the best known instances of coöperative governmental purchasing in this country are those operated by some of the state municipal leagues. Beginning with the Michigan league's purchase of fire hose for six cities in 1930, league after league has followed suit, until, at the present time, eleven leagues are doing something in this field. The table below presents some interesting data about this activity.

COÖPERATIVE PURCHASING BY STATE LEAGUES OF MUNICIPALITIES

<i>League of Municipalities</i>	<i>Date Coöperative Purchasing Started</i>	<i>Dollar Volume of Coöperative Purchasing 1937</i>	<i>Commodities Purchased Coöperatively</i>
Michigan	1930	\$26,700	Fire hose, street name signs, traffic paint, traffic regulation signs, water meters, street push brooms, motor sweeper fiber, grader blades, incandescent lamps, and seventeen other items in smaller quantities Election supplies and license forms
Nebraska	1930	1,558	Fire hose
Wisconsin	1933	5,200	Fire hose
Virginia	1936	570	Fire hose
Oregon	1936	3,700	Fire hose
South Dakota	1936	500	Fire hose
Kentucky	1937	480	Water Department record books
Colorado	1937	1,500	Fire hose, brass goods
North Carolina	1937	Not stated	Fire hose, street name signs
Missouri	1938	No record yet	Fire hose, fire sirens, fire department brass goods, salvage covers, street name signs
Arkansas	Recent	"Sales discouraging so far"	Fire hose

It will be observed that the commodities purchased are rather limited as to type, and that the dollar volume of purchases is quite modest in most cases. The Michigan league still appears to be the leader in volume and variety of buying. It reports that twenty-eight cities coöperated in the purchase of a single commodity, the largest number reported by any state league.

The Texas and Iowa state leagues, reputed to be practicing coöperative purchasing, state they are not active in this field.

It would seem that, on the whole, the coöperative purchasing of state leagues of municipalities is significant principally because of the promise it holds for the future.

The principal justification for coöperative purchasing is, of course, the lowered costs generally resulting from buying in large quantities. Coöperative governmental buying associations have actually realized these lowered costs for their members. Thus, the San Luis Valley, Colorado, Association reports savings of 30 per cent over prices formerly paid, and the Kansas School Purchasing Association reports savings

ranging from 15 per cent to 25 per cent, the dividend declared on the 1937 business amounting to 20 per cent of sales. It is well known that coöperative purchasing of coal in Cincinnati and Hamilton County resulted in a saving conservatively estimated to be not less than \$50,000 in one year.

Another advantage generally realized is an improvement in standards of quality of goods purchased. Several buyers coöperating in filling their requirements benefit from their individual experiences with various standards and specifications.

The mechanics of operation may take one of several forms. In one type, exemplified by the practice of the schools of the San Luis Valley in Colorado, virtually all the needs of all the

schools for a year are pooled and bids solicited and contracts made in the spring for the needs of the following school year. A second method, illustrated by the case of the Saskatchewan School Trustees Association, is to solicit prices based on the combined requirements of a number of units. Each school then orders from the official vendor as the need arises. To overcome certain disadvantages of this method, a third technique has arisen, illustrated by the practice of the Educational Buyers Association. Here the association secures special prices from vendors, but sells to its members at the market price. At the end of the year the savings of coöperative purchasing are distributed to the members in the form of dividends on their purchases. Still a fourth method is employed by some of the state leagues of municipalities. They secure special prices from vendors on the assumption that a number of municipalities will pool their requirements and buy from the vendor. No guarantees of the volume of business are made to the vendor. When a favorable price is secured and a city desires to purchase, it orders from the league. The league orders from the vendor who delivers to the city, billing the league. The league bills the city for the cost of the commodity plus an increment to cover the cost of the league services, and when the bill is paid, the league pays the vendor.

In conclusion, it is interesting to note that coöperative governmental buying associations have grown up spontaneously in a number of localities, not aided by suggestion or experience gained by governments elsewhere. The motivating force seems to have been common sense, not fortified by any agency promoting the cause. Indeed, few of these associations were aware of others in the same field of activity. That they have grown and prospered

for some time augurs well for the future of this new experiment in the practice of government.

EDITOR'S NOTE—This is the third and last of a series of articles on coöperation in governmental purchasing. See "Coöperative Purchasing in the Irish Free State," by Charlton F. Chute, *NATIONAL MUNICIPAL REVIEW*, May 1938, and "State-Municipal Coöperation in Purchasing," by Stuart A. MacCorkle, *NATIONAL MUNICIPAL REVIEW*, September 1938.

THIRTY DOLLARS A WEEK

(Continued from Page 484)

would be in greater or less degree to impose a stringency of cash for all municipal purposes.

Of course, before either the tax burden of the people could be doubled or the local financial system shot to pieces, it is necessary both that the initiative measure be approved and that it work as its sponsors intended. That the latter eventuality will not occur seems a safe assumption. Collapse of the scheme in a relatively short time is generally accepted by economists as a foregone conclusion. But that the voters will defeat the proposal is a more dangerous assumption. The campaign is now being bitterly fought, and its defeat is indicated by reports from many experienced observers. On the other hand, the admitted insecurity of those in the upper age brackets, the extensive adherence to similar plans on the part of large numbers of voters throughout the country as manifested in the strength of the Townsend plan, particularly in rural areas, the difficulty of explaining any economic fallacy to the man in the street, and the fact that proponents of the initiative had their campaign well under way before the opposition woke up to the task before it, all work against the showing of a majority of "no" votes. Before the year ends, thirty dollars a week for life may become a reality, albeit a short-lived one, in California.

Alert Citizen Group

Wins Again in Toledo

Third successful defense of the manager plan demonstrates once more the value of a permanent citizens' organization ready to spring into action when necessity arises.

By **ALFRED WILLOUGHBY**
National Municipal League

ONCE again the people of Toledo have beaten off an attempt to scuttle their two-year-old council-manager form of government which has spread the city's fame by its realistic, honest, and effective manner of handling difficult depression-born problems.

While the two previous attacks—the first shortly after its adoption but before the plan actually went into effect—came in the form of thoroughly organized political campaigns, the most recent threat was contained in two surreptitious resolutions, one to dismiss able City Manager John N. Edy and the other to appoint in his stead a local man hand-picked by the city's leading "old-style" politician.

Since he had been mayor before the advent of the more modern system, Addison Q. Thacher, now a member of the Toledo city council which is chosen by proportional representation, has harbored a smoldering indignation against rules which tend to prevent a successful politician from rewarding his friends with jobs and spending public works moneys where they will do him as well as the city the most good. But his fundamental opposition remained concealed so thoroughly that, in the last councilmanic election, the City Manager League of Toledo had no choice but to endorse him for re-election on the ground that his official record up to

that time provided no logical grounds for opposing him.

On the morning of Saturday, September 10th, Councilman Thacher handed the clerk of the council a sealed envelope with instructions not to open it or disclose its existence until further notice. The following Monday evening at 6.10 o'clock, one hour and twenty minutes before council was to meet, Thacher telephoned the clerk and directed him to put the contents of the envelope on the calendar.

This circumvention of council rules and practices left no time to reveal the plot to the public so, when the question came up, there was a small audience, but it included some of the foremost civic leaders of the city.

Although Councilman Thacher boasted later that he went into the fight with the assurance of five votes, sufficient to enable him to fire Manager Edy and name his own man, a five-to-three vote upheld Mayor Roy C. Start's ruling that the ouster resolutions were improperly filed, making it necessary to delay consideration of them for a week.

With the gain of a week in which to make itself felt, popular indignation, made articulate under the leadership of the City Manager League of Toledo, was tremendous. The League issued a barrage of statements revealing the method and significance of the attempt to go back to the spoils system. The newspapers, which have consistently occupied the rôle of alert public "watch-dog" in the long fight to obtain and retain good government, kept their readers thoroughly informed of developments and attacked Thacher and his plot editorially. Six radio addresses by prominent civic leaders, four of whom

spoke under auspices of the League, brought warning of the danger into countless homes. Civic, service, and church organizations passed resolutions unanimously condemning Thatcher's move. Copies of the *Toledo Observer*, publication of the City Manager League, were mailed to five thousand persons. Many prominent citizens made public statements urging the people to express their disapproval.

When council met the members found the chamber, hallways, and the nearby police gymnasium jammed with men and women, clamoring for defeat of the attempt to emasculate the council-manager plan by indirection. There were plenty of cheers, boos, and hisses lest anyone doubt their reason for being there.

As preliminaries to the final action, attention was given to the copies of resolutions and letters demanding the retention of Manager Edy. The final vote showed seven councilmen voting against the ouster resolution and only two supporting it. In addition to Thatcher's, the only other affirmative vote was that of Councilman Ira Bame who has been accused of attempting (unsuccessfully) to interfere with police administration.

So constructive has the local administration been in providing good service, the lowest assessed valuation and tax rate in sixteen years, retirement of large amounts of public debt, the installation of a merit system in public employment, and other elements of good government, that Manager Edy felt impelled, when he was called upon to make a statement just prior to the vote, to give Toledo a restatement of the philosophy of the council-manager plan.

He reminded that the council, not he, as manager, actually runs the city; that the manager submits recommendations to the elected representatives of the

people and from them gets his orders as to what he is to do; that the manager is able to follow his own program only in so far as it is approved by the council; and that, therefore, full credit as well as responsibility rests with the council.

The *Toledo Blade*, in an editorial under the heading, "The Fight Isn't Over—It is a Constant Struggle," said that night in part:

Thanks to a thoughtful majority of the council, our honest and well managed city government is preserved—FOR A TIME.

The continuance of that kind of government is now, and always will be, a constant struggle. Only a definite, aggressive enthusiasm for well managed city rule, on the part of thousands of watchful men and women, will maintain it.

There will always be Thachers who have their selfish reasons for wishing to destroy the kind of competency which is made possible by the city manager system and the right man to head it.

Thacher is only a symbol—a front for selfish, greedy men who lie awake at night planning how to re-take the city hall and re-establish the spoils system.

Toledo adopted the manager plan in November of 1934 with a vote of 33,339 to 28,014, after the politicians had been unwilling or unable to make the adjustments in efficiency and economy made necessary by depression problems. Before the new charter could go into effect, as it was scheduled to in January of 1936, a repealer campaign was waged but lost by a vote of 27,627 to 18,338. Last fall another repealer, slightly masked in the form of a charter amendment which would substitute a twenty-one-man council selected by wards for the manager-plan council of nine chosen by proportional representation, was beaten even more badly, 37,035 to 19,211.

So far each test of strength has indicated growing satisfaction in Toledo with the manager plan, but Councilman

(Continued on Page 517)

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

Council-Manager Plan Developments.—

In Santa Ana, Calif., (30,322) a committee of the Realty Board has been preparing a city manager charter for the consideration of the city council.

In Arkansas City, Kan., (13,946) petitions are being circulated for a special election on the subject of changing from the manager plan to the mayor-council form of government, according to the *Arkansas City Traveler*, which opposes the effort, and calls attention to the excellent debt-reduction record under manager government.

In Rochester, Minn., (20,621) a charter providing for council-manager government has been drafted. It is not expected that an election will be held before next spring.

In the borough of Fair Lawn, N. J., (5,990) an independent Republican candidate in the primary campaign urged an investigation into the manager plan, and a Democratic leader issued a call for formation of a good government league to start a city manager movement.

In Long Beach, Calif., (142,032) a charter amendment has been proposed by Councilman Virgil H. Spongberg, which would transfer the executive powers of various boards or commissions—water, recreation, park, planning, aviation, greens, harbor, and civil service—to the city manager and city council, leaving the boards advisory unpaid bodies only. Some of them now receive remuneration, others not.

Baie Comeau, Quebec, (2,291 population) adopted the manager plan in August.

Verdun, Quebec, under powers granted by

the provincial legislature, has appointed a general manager and director of finance. The appointee is also city treasurer.

Tappahannock, Virginia, on August 26th passed an ordinance making effective a provision of the 1938 charter which permits the council to appoint a manager.

Ashland, Kentucky, (29,074) on November 8th will vote on a proposal to abandon the council-manager plan adopted in 1934.

In Forest Grove, Oregon, an ordinance has been adopted which creates the office of city manager, to become effective November 18th.

The Association of Omaha (Nebraska) Taxpayers is expected to call upon the state legislature again to pass the necessary measure for submission of an amendment to the state constitution to make the manager plan possible for Douglas County. Public opinion is reported to be more strongly in favor of the plan than in 1934, when it obtained a plurality vote.

A committee of the San Diego County (California) Development Federation, which has been investigating the county-manager plan, is preparing a pamphlet to inform the voting public of the advantages of the plan.

Chicopee, Massachusetts, (43,930) will vote on the adoption of the manager plan on November 8th.

In Battle Creek, Michigan, (43,575) petitions have been circulated requesting a vote on November 8th on the question of revising the city's charter so as to provide for the manager plan of government. Voters will also choose the members of the charter commission to draft the new law.

The voters of Berkley, Michigan, (5,571) on September 13th defeated a proposal to revise their city charter by providing for the manager plan. The Berkley Business Men's Association and others interested in the change

are continuing their educational efforts and are planning to place the question on the ballot again in the near future.

A petition filed some time ago with the city commission of Hutchinson, Kansas, (27,085) requesting an election upon the adoption of the city manager form of government, was rejected by the city clerk since it contained an insufficient number of legal signatures. The city manager organization, however, has gone ahead with the circulation of new petitions, which it is hoped will be ready for filing shortly.

In Cumberland, Maryland, (37,747) the council has under consideration a proposal of Isaac Hirsch, author of the present charter, that a commission be named to draft a city manager charter. According to the *Cumberland News*, Mayor Thomas W. Koon and two other council members expressed approval of the manager plan, another was non-committal, while the fifth said the plan "tends to destroy the American ideal of government."

A number of organizations of Midland, Michigan, (8,038) whose interests include civic affairs, are promoting a charter revision for that city to provide the council-manager plan. Petitions asking that the question be submitted to the voters on November 8th and calling for election of a charter commission are being circulated.

The borough of Boyertown, Pennsylvania, (3,943) is seriously considering the adoption of the manager plan. A committee sponsored by Burgess Roy F. Schealer will make a study of the question and present its recommendations to the council, which under the Pennsylvania law has power to adopt a manager ordinance.

*

Use of Permanent Registration Increases.—Over six million voters in at least a dozen metropolitan cities, and a large proportion of those in voting districts elsewhere in the country, now have the right to register under permanent registration systems, according to a recent statement of the Governmental Research Association. This system, under which the voter registers personally only once, his name remaining on the voting lists as long as he is a qualified voter in the same district, is used in various cities and other local governments in thirty-four states. It was first put into practice in Boston in 1896. New York voters on November 8th will vote on a constitutional proposal to au-

thorize its use in that state. Baltimore's permanent registration law, enacted recently as part of a general measure for Maryland cities, becomes effective in 1939.

Maryland, Pennsylvania, Missouri, and Illinois were added to the permanent registration list during 1937-1938, legislation for the latter two states covering special cities only. In addition to these states, the list includes Alabama, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Oregon, Utah, Virginia, Washington, and Wisconsin. The laws are state-wide in effect in only eighteen of these states.

*

Recall Elections.—On September 16th a recall election in Los Angeles, California, resulted in the mayor, Frank L. Shaw, being superseded by Fletcher Bowron, judge of the Superior Court, by a plurality of over 100,000.

In Fort Worth, Texas, six of the nine councilmen have been removed recently by use of the recall.

*

Merit System Extension Urged.—The American Federation of Government Employees, meeting September 14th in Chicago, unanimously approved a program which includes the extension of the merit system to all branches of the civil government now excluded from the system.

In August two important groups of public officials were added to the list of merit system advocates, through the unanimous adoption of resolutions favoring the system by the Municipal Finance Officers' Association and the International Association of Chiefs of Police, at their annual conferences in St. Paul and Toronto respectively.

*

Merit System for Street Cleaners.—The use of civil service examinations to recruit street-cleaning personnel in thirty-one cities is noted by a committee of the American Public Works Association in its report on street-cleaning practices, which analyzes the street cleaning organization and methods of ninety-four cities.

The volume shows that twenty-six of the ninety-four cities choose their entire street-cleaning force by civil service, and five use competitive examinations to select part of

their staffs. Among the larger cities using civil service in their street departments are: Buffalo, Chicago, Cincinnati, Los Angeles, Milwaukee, Minneapolis, New York City, Philadelphia, St. Paul, and Washington, D. C.

*

New York Amendments Opposed.—The Citizens Union of the City of New York added its strong protest to the growing resentment at the last-minute action of the state constitutional convention in slipping through an amendment to outlaw proportional representation, which was adopted in New York City only two years ago by a vote of 923,186 to 555,217. The union also opposed the reapportionment amendment, the grade-crossing elimination financing plan, the judiciary proposals, and the catch-all amendment (no. 1—see NATIONAL MUNICIPAL REVIEW for September, page 456.) Approval was given to amendments four, six, eight, and nine, dealing with housing, labor laws, welfare financing, and transit borrowing by New York City; but it was stated that no calamity would result from voting down all the amendments—the bad ones being so much worse than the others were good.

*

New Mexico Forty-sixth State to Adopt Direct Primary.—Voters of New Mexico will choose candidates for public offices by direct primary in its elections of 1940, thus becoming the forty-sixth direct primary state, the Council of State Governments reports. Action of the New Mexico special legislative session, just adjourned, leaves Connecticut and Rhode Island the two states that select all candidates by party convention.

*

Housing Officials to Meet in Washington.—The National Association of Housing Officials will hold its sixth annual conference in Washington, D. C., October 11-14, giving an opportunity to more than seven hundred housing officials to exchange ideas. The conference will be the first for approximately 150 directors of local housing authorities who received their appointments during the past year, and will bring together local, state, and federal officials in the housing field.

Directors of the four federal agencies concerned with housing will address the conference on the opening day. They are Nathan Straus, United States Housing Authority; Stewart McDonald, Federal Housing Admin-

istration; John H. Fahey, Federal Home Loan Bank Board; and Will Alexander, Farm Security Administration. Developments in the housing field will be discussed in reports of twenty-five local and state housing agencies.

The association reports that approximately 24,000 new dwelling units were made available for occupancy in the nation's large-scale housing projects during the past year, bringing to about 37,000 the number of families in federally-aided projects located in all parts of the country.

The association's annual project map just completed shows occupancy of 146 projects as of May 1, 1938, compared with the figure of fifty-eight for May 1, 1937. Tenants are now living in fifty-one housing projects financed by the Housing Division of the Public Works Administration and its successor, the United States Housing Authority, in eighty-two Farm Security Administration projects, and in thirteen large-scale rental projects financed through the Federal Housing Administration. One year ago the respective figures were eleven, forty-five and two.

In addition to the dwelling units already occupied on May 1st, the three federal housing agencies list other projects, approved or under construction, which will provide 25,000 more homes, according to the NAHO map. The USHA lists twenty-three such projects; the FHA, Rental Housing Division, sixty-two; and the FSA, two. Since May 1st, USHA contracts have been approved for twenty-one cities which would supplement the total by nearly 21,000 dwelling units.

*

More Courses in Governmental Matters.—The New York University Division of General Education is presenting an expanded fall program of eighteen non-credit evening courses in government progress. Nine of the courses are new, including housing and labor problems. Five guest lecturers have been added. The courses are designed to meet the increasing needs of men and women interested occupationally in studying governmental problems and administrative techniques, according to Dean Ned H. Dearborn. They will complement the credit courses of the university's new graduate Division for Training in Public Service.

The Central Y.M.C.A. College, Chicago, Illinois, announces a four-year course in public administration leading to an A.B. degree.

Both day and evening programs are available.

Rutgers University, New Brunswick, New Jersey, offers two twelve-week courses in traffic education and traffic enforcement for police officers specializing in traffic educational or enforcement work.

*

Apprenticeships in Wisconsin.—The University of Wisconsin is cooperating with local governments in that state on an apprenticeship program whereby college-trained technicians with outstanding records are made available to municipalities as apprentices, who perform specialized services at temporarily low rates of pay while obtaining practical experience.

The apprenticeships are one feature of an in-service training program for state and local government employees, under legislation adopted last year. Thirty-one apprentices have been taken on from three educational institutions by thirteen state departments. These apprentices devote three and one-half working hours a week for ten months to lectures and discussions on administration, supplementing their practical work in a particular department under supervision of an experienced administrator. Graduate work, outside of working hours, is encouraged.

*

Government Units Integrate Agencies for Aiding Blind.—Thirty-nine states now cooperate with the federal government on programs to aid the blind, according to the American Public Welfare Association. In these states development has been rapid toward integrating services for the blind in one agency. Although state agencies for the blind have been functioning since 1908, when Massachusetts established a permanent commission for the blind, the trend toward integration of the various agencies under departments of welfare has occurred mainly under the administration of the federal social security act, Evelyn C. McKay, of the American Foundation for the Blind, reported to the association.

*

Coördinating Plans for Tax-Supported Medical Care.—Recognizing sickness as the foremost cause for dependency, a committee of the American Public Welfare Association is cooperating with more than twenty other professional medical and public health groups

in attempting to formulate a coördinated plan for the care of sick poor by local governments, which will eliminate duplication and diffused responsibility found to exist in the present administration of tax-supported medical care. A preliminary study has been made of the lack of proper correlation not only between city and county agencies but within the organizations of individual cities and counties. For example, the committee found duplicating system of home nurses' and physicians' care in many cities.

Among the general principles of eligibility for tax-supported medical care recommended by the committee from its preliminary study are: that agreements concerning standards of eligibility should be developed by conferences of local officials and representatives of the medical profession; and that the need for medical care should be determined by a physician, while eligibility for care at public expense should be determined by the governmental agency responsible for payment.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Four-Township Council Brings Benefits to Ohio Community.—The 4,150 rural people in the four townships surrounding Bellevue, Ohio, (population 6,000) wanted, needed, and should have had adequate fire protection for many years.

Five years ago the Flat Rock, Ohio, Public Committee was organized to secure definite fire protection for the village and succeeded in completing a contract. The farmers around Flat Rock also wanted fire protection, as well as public library service, etc., so the Thompson Township Council was organized in order to secure these privileges.

Then came the idea of asking the township trustees to assume the responsibility for fire protection, as city officials do, and they responded as soon as the public demanded it. The trustees of the other three townships surrounding Bellevue—York, Groton, and Lyme—were then asked to cooperate with that city's council in purchasing an \$8,000 fire department especially equipped for fighting farm fires. But the plan met with so many delays that a council similar to the one in Thompson was organized in each of these

townships, and from that the Four-Township Council, composed of the president and two representatives of each local council, was founded to complete the fire protection project and other coöperative plans. This group is sponsoring a new law in the Ohio legislature this fall permitting Ohio cities to enter contracts with rural communities for fire protection.

The Flat Rock Public Committee plan for unincorporated towns, the Thompson Township Council for rural districts, and the Four-Township Council for rural trade areas were all founded as the needs arose. To date they have actually secured fifty-four public projects and now have sixty-seven additional projects practically accomplished or well under way. Accomplishments include: public library service, electric street light and power contract (said to be the lowest for any rural community in the state), telephone service, definite police protection, a rural address system (to locate any farmer instantly), various WPA projects, initiation of a ten-year plan, a community playground, more efficient government services, a four-township community auction, organization calendar, etc.—all of which has “pepped up” the township and county officials.

The local council organization is simple, practical, and permanent, strictly non-political and non-sectarian. It is authorized by a public vote of the people and is thus available to sponsor public projects of any nature. The personnel consists of the presiding officer, chairman, or director of each public service organization, including the township trustees, board of education, churches, farm bureau, parent-teachers, business men, housewives, young men and women—all the constructive forces in the community, capable of fighting the devil himself.

The unique feature of this organization is the fact that it has just grown out of the common needs of a typical rural community, fostered by the people themselves.

C. S. HUNSINGER,¹ *President*
Thompson Township Council

¹Mr. Hunsinger is the founder of the organizations mentioned above, as well as of the National Township Council. They are fully described in his pamphlet *Accomplishing Rural Community Work*, which the author has written out of his twenty-five years' experience in rural community work.—EDITOR.

Douglas County, Nebraska, to Make Another Effort to Adopt Manager Plan.—

The Association of Omaha Taxpayers will again ask the legislature to pass the necessary measure for submission of an amendment to the state constitution to make possible the manager plan for Douglas County. It may be conservatively said that public opinion is much stronger now for such a plan in the county than was true when it was carried in a general election of 1934 with a plurality of over 13,000. Quite a few members of the last legislature, who are candidates for re-election, have stated that they will reverse their vote and support the amendment. The *Omaha World-Herald*, which is the only metropolitan newspaper now in Omaha, has kept the matter repeatedly to the front as a major issue in the county and, while all three present members of the county board were defeated in the August primary, it seems generally realized that a change in the system of county government is necessary before there can be assurance of better government for any period of time. It should be said that the county this year is operating very close to its income and at an indicated expense of \$200,000 per year less than last year. It should also be said that the situation which has prevailed in Douglas County prevails also in many other counties of the state.

W. L. PIERPOINT, *President*
Association of Omaha Taxpayers

*

The Texas Government Institute.—

The first meeting of this short course for local officials was held at Nacogdoches, Texas, on August 31–September 1, 1938. The meeting was sponsored jointly by the East Texas Chamber of Commerce—operating in seventy East Texas counties—and the Stephen F. Austin State Teachers College at Nacogdoches. Five of the eight discussions concerned such financial problems as budgeting, accounting, auditing, purchasing, and financial reporting. The three additional discussions were also related to finance and concerned the handling of relief problems, the management of a modern road and bridge department, and needed legislation for Texas counties.

Seven of the eight discussions were led by county officials, and the audience participated freely throughout each meeting. The attendance varied from seventy to one hundred people or

an average of more than one person per county for the entire region. At the close of the session it was unanimously voted to continue the sessions another year. This short course is part of the educational work begun by the Tax Department of the East Texas Chamber of Commerce early in 1938.

H. C. BRADSHAW

Division of Farm and Ranch Economics
Agricultural and Mechanical College of Texas

*

County Zoning Accomplishes Roadside Control in California.—First large-scale application of county zoning principles as a part of a roadside beautification and safety program along several thousand miles of California highway has been noted by the American Society of Planning Officials.

San Mateo County and its neighbors, Santa Clara, Monterey, and Marin, are the jurisdictions which within the past five or six years have established strict regulation of roadside use by zoning ordinances. Kern and Santa Barbara Counties have also pioneered in this field and several other counties are joining the movement.

The result of county zoning in San Mateo County is one thousand miles of billboard- and business-free highways and county roads. San Mateo, San Francisco, and Santa Clara Counties are now joining with the state in the development of Junipero Serra Boulevard as a parkway, to be protected both by its design and by zoning. In San Mateo County this thoroughfare will have a 240-foot right-of-way, with frontage restricted to family residences. Santa Cruz County, smallest in the state, zoned about a year ago to cover seventy-five miles of highway. Monterey County zoning regulates structures along the seventy miles of its new coastline highway. Marin County recently made its zoning ordinance retroactive.

The California counties regulate business areas along the road as to size, location, and building setback. Businesses are restricted to those necessary to the traveling motorist. The zoning laws supervise the architecture of roadside buildings to keep them up to a certain standard of design.

*

Georgia County Rejects Manager Plan.—On September 14th the voters of Grady County, Georgia, in a referendum voted to

retain the present system of county government rather than adopt the county manager plan. Already the county has a full-time chairman of the county board with somewhat broader powers than is customary, and this arrangement appears to be satisfactory to a majority of the citizens.

TAXATION AND FINANCE

Edited by Wade S. Smith

EDITOR'S NOTE.—Because of its timeliness and the importance of the subject covered, Mr. Smith's first note for his department, "Thirty Dollars a Week for Life," is being carried as one of the main articles in this issue—see page 481.

*

Speed PWA Program.—With October 1st the deadline for filing applications under the 1938 appropriation for the PWA, the administration announced that for the first quarterly period ending September 22nd projects totaling close to \$1,500,000,000 had been approved. Actual construction has been started on over seven hundred projects involving the expenditure of \$177,000,000.

The 1938 appropriation provided for a total project value of about \$1,867,000,000. In the thirteen-week period since the signing of the bill by the President, nearly seven thousand projects were approved. Approximately 5,500 were non-federal projects sponsored by the states, cities, counties, and other local bodies, with the PWA allotting about \$626,000,000 to meet its share of the cost, 45 per cent of the total. In the period over one thousand federal projects, calling for a PWA contribution of \$185,000,000, were also approved.

The non-federal allotments by PWA consisted of approximately \$295,000,000 for the construction of school buildings and other educational facilities; \$63,000,000 for 239 sewer and related projects; \$64,500,000 for 304 water projects; \$75,000,000 for 116 projects involving bridges, viaducts, subways, tunnels, docks, and the like; and \$128,500,000 for 402 public building projects involving city and county buildings and similar structures. To meet the sponsor's 55 per cent of the total cost, the municipal units have been going to the polls in almost unprecedented numbers seeking voter approval of local bond issues. Small

communities, in particular, have been conspicuous on the bond election calendar, although the larger cities have also been well represented. In cases where voter approval is necessary for local financing, PWA requires submission of the question before the October 1st deadline. Construction on all projects must be started by January 1, 1939.

*

Patterned on the California thirty dollars every week pension measure discussed in more detail elsewhere in this issue, a twenty dollar weekly pension for all over fifty years of age is being proposed to Tennessee voters by Roy C. Wallace, former state comptroller, now a candidate for governor of the state. The Tennessee proposal also involves the redemption of pension scrip by attachment of a stamp every week. In the state of Oregon, a two hundred dollars a month pension for everyone over the age of sixty-five is on the ballot as an initiative measure. Financing is to be by means of a transaction tax.

*

Taxpayers whose properties were damaged or destroyed by the recent hurricane which swept eastern Long Island will have to pay their 1938 taxes just the same. Such is the verdict of the Nassau County collector, who points out that the law makes no provision for review of assessments until the 1939 rolls are prepared next spring.

*

Louisiana voters will pass or reject a proposed constitutional amendment to exempt homesteads up to \$4,000 assessed valuation from ad valorem taxation when they go to the polls this fall. Other amendments to be voted on would exempt new homes and new industries from taxation for a period of three years.

*

Pennsylvania school districts are scratching gravel to get their applications in before October 1st for their share of a recent multi-million appropriation of the recently created General State Authority. The authority will issue its revenue bonds (about \$7,000,000 of which have already been issued—sold to the state sinking funds, etc.) to provide funds to build and equip school buildings, among other things. Needy school districts will (if their applications are approved) enter into a contract to pay rent for thirty years, sufficient to amortize the authority's revenue

bonds. Voters in Chester last spring decisively voted down a bond issue for a new school—now the district is getting it via the State Authority. So the debt service taxes will be replaced by taxes to pay rent.

*

Nassau County, New York, suburban unit on Long Island adjoining Queens and Brooklyn, is selling vacant property taken to satisfy tax liens on the installment plan—20 per cent down. The state of Washington now permits purchase of tax deeds in ten annual installments. Land-use experts view the practice with alarm, pointing out that broken parcels will inevitably result, making tracts useless for sound development and forcing local units in many instances to install costly improvements for scattered residents.

*

St. Louis County, Missouri, which operated without a budget for years, and has only recently undergone a strenuous fiscal reorganization under legislation sponsored by the St. Louis (city) Bureau of Governmental Research, recently issued the first annual financial report in its history. Comptroller E. O. Harper put out a comprehensive set of schedules which would set many a more experienced unit to shame for completeness.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

An Official P. R.-Manager Proposal for Philadelphia.—Early in September the Philadelphia Charter Commission appointed by the governor and legislature issued a summary report. The opening statement by the chairman, Thomas Evans, concludes with the words, "Philadelphia's spirit of progress must be regenerated. Philadelphia must increase its employment. Philadelphia must rehabilitate its commercial and industrial life. The first step is the new charter."

The outline which follows shows that the final draft to be submitted to the legislature proposes a fixed council of eleven elected by proportional representation on a nonpartisan ballot. One of the council will be elected mayor by his fellows. The council will select and control a city manager. The existing departments are reorganized and it is significant that the three named first in the new

set-up deal with the social services instead of the customary ones—finance, law, and safety. The outline devotes a great deal of space to the civil service provisions, to a planning board with powers and duties somewhat similar to the like agency in New York, and to the financial provisions. These last are particularly important, for in addition to having thirty-three millions of bonds in excess of its legal bond limit, the city has a "deficit" of about thirty millions.

About two and a half pages are given to an explanation of the principles of P. R., but the details of the election procedure are reserved for the official draft.

For several years there has existed in Philadelphia a City Charter Committee, a citizen organization which has urged the manager plan and P. R. as the basis of the city's government. This is being reorganized and expanded under the leadership of Thomas Raeburn White. A vigorous educational campaign has begun centering around Walter J. Millard. The task of reaching Philadelphia's two million people is a huge one, but as this is written the leaders of organizations which cover one-third of the population have signified their willingness to cooperate.

The writer has prepared a short, simple pamphlet on P. R., keyed to the records of past elections—the present council does not directly represent 46 per cent of the voters. The pamphlet is now being distributed. A fine corps of speakers has come forward and many meetings are scheduled.

The legislature will receive the commission's report when it meets in January and must pass it as an act. By the charter's own terms there must then be a referendum. This double task makes progress harder than in states with municipal home rule, but Philadelphia faces a financial and civic crisis and so the City Charter Committee is very hopeful.

CHARLES H. WOODWARD

Philadelphia

*

The P. R. Campaigns in New York State.—After the Yonkers City Manager League had filed petitions for a P. R.—city manager revision of the city's charter and the common council had put the question on the ballot for November 8th, the charter commission appointed by Mayor Loehr sub-

mitted a rival charter revision. The commission did not recommend the city manager plan, but did recommend the separate submission of P. R. However, the common council voted not to put the commission's recommendations on the fall ballot. There will be a clear issue, therefore, on the adoption or rejection of the P. R.—manager amendment.

In Schenectady the council refused to submit the question of P. R. after the first 10 per cent petition for it had been presented, taking its cue from an opinion of the corporation counsel that its submission this fall would be illegal on technical grounds. The P. R. committee disagreed with the opinion and, after giving the council the required two months in which to act, submitted the additional 5 per cent petition specified in the city home rule law as sufficient to force the question onto the November ballot without the council's approval. Thereupon a taxpayer's suit was filed to prevent the election authorities from submitting the question. On September 26th Supreme Court Justice Byron O. Brewster ruled that the amendment was properly proposed and must be submitted. An appeal has been taken.

The committees sponsoring the P. R. amendments in Yonkers and Schenectady are also serving as the local committees to defeat Amendment No. 7, the constitutional amendment to prohibit the use of P. R. proposed by the recent state constitutional convention. In New York City the campaign is being led by the P. R. Joint Committee, representing all the principal civic organizations interested in P. R., which conducted the educational campaign for the first P. R. election last fall. There is also a local committee in Rochester. A State Committee for Home Rule on P. R. is being organized by these groups and others to wage an energetic statewide campaign. The state League of Women Voters has started a vigorous drive to defeat the amendment and other statewide groups are expected to follow suit.

*

P. R. in the Netherlands.—The annual report for 1937-1938 of the British P. R. Society (82 Victoria Street, London, S. W. 1) contains an informative discussion of the problem of government under different methods of election. It presents evidence to uphold the

thesis that "popular and anti-popular fronts are necessary only, and are formed only, in non-proportional countries."

Most European countries have long had a multiplicity of political parties regardless of election methods, and the party list systems of proportional representation now used in some European countries are less likely to diminish this multiplicity than the freer Hare system used in American P. R. cities and the Irish Free State. Nevertheless, the European countries which have adopted forms of proportional representation—such as Switzerland, the Scandinavian countries, Belgium, and Czechoslovakia—have developed procedures for coöperation in government without submerging the individuality of the political parties and include some of the most stable and successful democracies in the world.

"It would thus appear, from the experience of many countries in Europe," says the British report, "that in these countries in which P. R. has been the accepted form of election for any considerable length of time, something of the nature of general principles has been evolved in the manner of forming governments where no party has a majority. These principles are independence of parties in presenting their case to the electors, fair representation, and coöperation in the formation of the government between parties in agreement as to their immediate aims."

As an example of a country which has been highly successful in applying these principles the report makes special reference to the Netherlands:

"One of the more important of the elections held in the year 1937 was that of Holland. This country, like most countries in Europe, has always had numerous parties, of which several have their roots in the historic religious struggles of Holland. The parties are practically the same now in number and in type as they were before the introduction of proportional representation. The only additions are the two post-war parties, National Socialist and Communist. The change made by proportional representation has been, not to increase the number of parties, but to assure that parties have fair representation, and, as the following figures show, this object was obtained:

HOLLAND, GENERAL ELECTION, 1937

The Sixth Election Under P. R.

Party	Votes	Seats
Roman Catholic	1,170,431	31
Social Democrat	890,661	23
Anti-Revolutionary	665,501	17
Christian Historical	302,829	8
Radical League	239,502	6
National Socialist	171,137	4
Liberal	160,260	4
Communist	136,026	3
Christian Democrat	85,004	2
Orthodox Calvinist	78,619	2

"Neither before nor after the adoption of proportional representation was there a majority for any one party. Dr. Colijn, who first became prime minister after the election of 1933, remains in office as the head of a coalition of the three parties of the Right—Catholic, Anti-Revolutionary, and Christian Historical.

"Proportional representation has now been used for six general elections in Holland. A royal commission sat in 1936 to consider constitutional reforms. This commission resolved by a large majority that proportional representation should remain not merely as an ordinary law, but as part of the constitution of Holland. Fair representation is accepted as the permanent foundation of parliament."

*

P. R. Recommended in France.—There are clear signs that the difficulties and anxieties arising from confused politics and uncertain alliances have tended to undermine confidence in the parliamentary regime. As a first step in restoring confidence, there is a renewed demand in the French Chamber of Deputies for the adoption of P. R. In 1937 the *Commission du Suffrage Universel* (the committee of the chamber charged with electoral questions) adopted by thirty-five votes to one a report in which the commission declared that it had no hesitation in rejecting the single-member system "with or without the second ballot or any other modification." It recommended the adoption of a system of proportional representation "free from any compromise that would weight the scales in favor of a majority party or group of parties," and furnished the text of a P. R. bill fulfilling these conditions. Early in the present year,

the *Journal du Commerce* published a symposium of five articles on electoral reform, which urged immediate action on the lines advocated by the commission. The contributors to the symposium included the president and vice-president of the commission, and the valued correspondent of the P. R. Society, M. Georges Lachapelle. Another of the contributors, Senator Jean Bosc, president of the Parliamentary Customs Committee, in expressing his views as to the gravity of the political conditions, wrote: "It is now seen, a little late, that the safety of the republic and of democracy may well rest upon proportional representation."

Annual Report of the British
P. R. Society 1937-1938.

PLANNING
INCLUDING ZONING

Edited by
Alfred Bettman and Walter H. Blucher

International Planning and Housing Congress.—An unplanned feature of the Sixteenth International Congress for Planning and Housing, held in Mexico City August 13-20, was a head-on collision between the northbound and southbound "Rapido" in which a number of Americans and practically the entire European delegation were involved. Fortunately no passenger was injured.

Although political factors in Europe prevented large attendance from across the Atlantic, there was a registration of over 450 persons.

The principal discussions of the program of the congress were devoted to housing in tropical and subtropical countries, planning recreation and the use of leisure time, and underground planning.

Proceedings of the congress may be obtained from the International Federation for Housing and Town Planning, 47, Rue Cantersteen, Brussels, Belgium.

*

Survey and Statistical Projects.—The California State Planning Board has published an outline entitled *Research Survey and Statistical Projects* "for the guidance of local planning and other public officials concerned with the organization of research, statistical, and survey projects." Project

types favored and recommended for municipalities to undertake with WPA assistance are listed in a special section and a section is devoted also to recommended projects for counties and non-urban areas.

*

Los Angeles Studies Land-Use.—The Los Angeles County Regional Planning Commission, one of the most active and progressive local planning agencies in the country, has recently completed a survey of land-use, covering 837 square miles of the county's area. About one-half the total area of the city of Los Angeles, all of thirty-five incorporated cities, and parts of four others were included.

The planning commission, the survey points out, is now provided with information necessary for proceeding with detailed zoning of large areas now threatened with haphazard development, as well as basic materials needed for comprehensive planning in the Los Angeles metropolitan region.

*

Land-Use Surveys Contemplated in New York and Chicago.—City planning activities in the nation's first and second largest metropolitan centers are expected to be facilitated through land-use surveys similar to that recently completed for Los Angeles County.

Extensive studies of slums and of areas containing a large amount of vacant property are proposed for New York City. One of the major uses of such studies would be the determination of locations for low-rent housing projects.

Chicago expects to undertake shortly the first comprehensive land-use survey and real property inventory ever made of the city.

*

Planning in Pittsburgh.—Pittsburgh's twenty-year-old Municipal Planning Association has taken the new name of Pittsburgh Regional Planning Association to give emphasis to the metropolitan scope of its program.

At a recent meeting Mr. Howard Heinz, the association's president, emphasized the necessity for taking immediate steps to plan for traffic improvements, flood protection, slum rehabilitation, community park and recreation facilities.

*

Findings of British Commission.—The Royal Commission on the Geographical Dis

tribution of the Industrial Population has been taking evidence over a considerable number of months in consideration of "what social, economic, or strategical disadvantages arise from the concentration of industries or of industrial population in large towns or in particular areas of the country."

Representatives of the national and local governments and of commercial groups have been heard. Both the British Town Planning Institute and the Garden Cities and Town Planning Association have submitted memoranda favoring a policy limiting the size of large cities by restriction of the further settlement of industry, guidance in siting new industries, restriction of development in overcrowded industrial zones, stiffening of zoning policy, provision of large open areas for recreation, housing policies to check centralization, development of existing small towns and new towns.

Planning problems appear to be fairly similar on both sides of the Atlantic in the English-speaking countries.

*

New York Planning Boards Hold Regional Meetings.—The New York State Federation of Official Planning Boards is holding a series of fall regional meetings in various parts of the state. Three were scheduled in September, three in October, and five more are expected to follow.

PERSONNEL ADMINISTRATION

(Continued from Page 498)

industrial management, but public management draws much from their work. Many organizations of public officials, such as the International City Managers' Association and the American Public Welfare Association, are concerned with the personnel problems of their groups and contribute to improved methods. An American analogue of the European commission of inquiry is found in the recent Commission of Inquiry on Public Personnel Administration, which published a series of monographs on personnel problems as well as its general report, *Better Government Personnel*. Finally, the larger universities carry on research in public

personnel administration, often in cooperation with officials.

In conclusion we may state the broad objective of contemporary public personnel administration, combining both the work of the central personnel agency and of the departmental personnel offices. From one point of view, the objective is to enforce the law of public employment. This, however, is too narrow a statement. The real ends of the personnel expert are to create and maintain working conditions which will establish a high morale and esprit de corps, which will attract able men and women to the service and hold their affection for the service, which will facilitate the most complete development of each employee and official in his working environment and will use these human resources to the fullest possible extent, which, in short, will produce the finest instrument of administration possible with the resources allowed by appropriating bodies. These ends are affected by the law of public employment, but they are attained principally by technical competence in the field of personnel administration and by creative intelligence on the part of responsible management.

EDITOR'S NOTE.—The article above is one of the papers prepared as a basis of discussion for the sessions of the Seventh International Management Congress, Washington, D. C., September 19 to 23, 1938.

ALERT CITIZEN GROUP WINS

(Continued from Page 506)

Thacher, having the last word via a radio address the night of his defeat, sounded a warning that he would not relinquish his efforts to sabotage the plan. Expressing "pity" for some of his fellow-councilmen, who, he indicated, were scared out after promising to support him, he called for the formation of a "home rule" organization which would work for the appointment of a manager whose most essential qualification would be prior residence in Toledo.

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

The Rise of a New Federalism. By Jane Perry Clark. New York City, Columbia University Press, 1938. xiii, 347 pp. \$3.50.

The enlightened modern political scientist makes much of the fact that written constitutions and codified law present an inadequate and often false picture of political reality. He will point to the American political party as the prime example of the extra-constitutional structure of our governmental life. Professor Clark points out in *The Rise of a New Federalism* that extra-legal administrative devices are becoming as common as extra-legal political devices, albeit not so commonly recognized.

The author shows the nature and workings of the many practices and procedures which have grown up, many of them informally, to close the crevices in our peculiar federal fabric. The complexity and scope of modern civilization make necessary a close interworking between the federal government and the governments of the states and the cities which is not adequately provided by federal or state constitutions. Hence, there have developed such practices as informal conferences, compacts and contracts, exchange of personnel, financial grants-in-aid, coöperative and supplementary laws, the latter especially in the field of commerce, which enable federal and state officials better to work together in the accomplishment of what are, in the final analysis, mutual and identical ends.

Each form of federal-state coöperation is described in detail, and illustrated with practical examples taken from experience. Not only is this work important as an exposition of the ways in which centralization and states' rights have compromised, but it also serves to classify that fast growing device known as the grant-in-aid. At least two books published in the past year¹ have been devoted

entirely to the nature of federal grants-in-aid to the states, but Miss Clark has been one of the first to show the place of the subvention-with-strings in relation to the rest of the administrative fabric.

While the author is careful not to jump to drastic conclusions regarding the importance of the coöperative methods she describes as a solution for the centralization-states' rights controversy, her book opens up an interesting and novel aspect of the issue.

H. P. J.

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The Culture of Cities. By Lewis Mumford. New York City, Harcourt, Brace and Company, 1938. xii, 586 pp. \$5.00.

Those who admire the vast learning of Lewis Mumford will have reason to marvel anew at this latest work. Here is the well known Mumford aestheticism applied in considerable detail to the physical aspects of the cities of civilization, beginning with the Middle Ages and working steadfastly forward to 1938 New York. Mr. Mumford is every inch the sophisticated critic, looking deep into the roots of things and finding them, as likely as not, sordidly related to economics and man's greed. He sees in the metropolitan environment the apotheosis of man's achievements and non-achievements and uses the description of the environment as a point of departure for a discussion of the course of capitalism.

Most pertinent to present-day problems is his condemnation of our big modern cities as manifestations of most of the rottenness of twentieth century civilization. We have

¹*The Administration of Federal Grants to States*, by V. O. Key, Jr., reviewed in these columns in April, 1938; and *State and Federal Grants-in-Aid*, by Henry J. Bittermann, reviewed in July, 1938.

not planned at all—or planned badly; our taste is wretched; our mores decadent. New York City is, of course, the example par excellence of the worst faults, and Mr. Mumford makes a good case against the slums. But although in the end he redeems his cynicism by offering some slight hope for redemption—"we have much to unbuild, and much more to build; but the foundations are ready: the machines are set in place and the tools are bright and keen: the architects, the engineers, and the workmen are assembled"—the author has already alienated the sympathy of the city dweller by his cruel analysis. A New Yorker, especially, finds much that is fine and exhilarating even in the big city on the down grade, and he wishes that Mr. Mumford had been charitable enough to mention it.

M. R.

*

Report of the Committee: The Advisory Committee on Education. Washington, D. C., Superintendent of Documents, 1938. xi, 243 pp. 35 cents (paper cover).

A few years back the writer reviewed for this publication *Civic Attitudes in Text Books* by Dr. Bessie L. Pierce. There was justification for its appearance in these pages and there is justification for a review of this book. It is useless for this REVIEW to present the latest methods of assessment of real property, let us say, unless our citizens have a broad education which leads them to want to have good assessment methods used, and that education to be broad must include citizenship training in the grade and high schools.

Therefore a report of this character is of vital interest to those concerned with good local government. For one thing education is a function carried on by local governments and in some states the budget for the schools is part of the municipal budget. The value of the property dedicated to this purpose is over six and a half billion and the annual expenditures are in excess of two billion. The impression is that the hundreds of budgets which control this huge sum are permeated with higher standards than guide a similar amount of purely municipal expenditures. But speaking of school expenditures in certain metropolitan areas the report says, "they suffer from the most flagrant application of

the spoils system." The over-all efficiency of some school systems can be gauged from the statement that, "In twelve states school board members outnumber the teachers."

Education for citizenship is only referred to specifically in one or two places but the whole tone of the report shows that it is regarded as a great objective. This is shown by the following sentences: "Legislatures and civic organizations have sometimes assumed that preparation of children for citizenship could be effected through such simple devices as studying the constitution or learning to sing the national anthem. Evidence of the ineffectiveness of education for citizenship purposes is abundant but there has been practically no experimental work that would point the way to the best methods of attaining this objective, admittedly one of the primary purposes of schools in a democracy."

The writer knows at first hand of significant experiments in this field in Des Moines and Toledo and has high regard for the teaching now being carried on by the civics teachers of the New York City schools. But here is a field in which those interested in good local government can join with educators—in the conduct of such experiments and their measurement. The tremendous sum of \$873,-000,000 which the report recommends be spent in the next seven years on education by the federal government would give much greater returns if the best methods of citizen education were not only known but put into widespread use. Municipal government in both the fields of policy and administration would shortly go to very high levels.

WALTER J. MILLARD

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The Master Plan. By Edward M. Bassett. New York City, Russell Sage Foundation, 1938. 151 pp. \$2.00.

The making of the master plan is an important part of comprehensive city and regional planning. Mr. Bassett, one of the country's authorities on planning and zoning, has in this volume presented sound advice regarding such a master plan, setting forth what it should and should not contain, how it differs from the official map, and the necessity of keeping it plastic. In Part I of the volume the author discusses the theory of community land planning legislation, defining the seven elements of the problem—streets,

parks and parkways, sites for public buildings, public reservations, zoning districts, routes for public utilities, and pierheads and bulkhead lines. Part II describes the master plan and its relation to planning as a whole. It includes a discussion of the planning acts of various cities and states and the "standard" planning act as issued by the United States Department of Commerce. The book should occupy a prominent place in the library of every planning commission.

*

Introduction to American Government.

By Frederic A. Ogg and P. Orman Ray. New York City, D. Appleton-Century Company, 1938. ix, 947 pp. \$3.75.

This is the sixth edition of what has proved to be a very valuable addition to the literature on our national, state, and local governments, especially as prepared for the college student. While the general plan of the 1935 edition has been followed, numerous changes and additions have been made including discussions of the newer relations between the federal government and the states; problems of national administration, particularly along the lines suggested by the President's Committee on Administrative Management; and the developments of the past few years in regard to agriculture, business, labor, social security, etc. A new chapter emphasizes state government activities pointing out that these, as well as the activities of the federal government, have expanded under new responsibilities and functions. The book is well indexed and footnotes and chapter lists carry extensive bibliographical material.

*

The Works Progress Administration in New York City. By John D. Millett. Chicago, Public Administration Service, 1938. xi, 228 pp. \$3.00.

One-seventh of the total WPA expenditures of the country, to May 1937, have been made in New York City. A study of the administration of the WPA in that city, therefore, is most timely. The volume covers the internal organization of the Works Progress Administration in New York, costs, numbers of persons employed, accomplishments, and a critical analysis of the entire set-up.

*

The Family and the Depression. By Ruth Shonle Cavan and Katherine Howland Ranck. Chicago, University of Chicago Press, 1938. xvii, 209 pp. \$2.50.

This study, which has been compiled jointly by a sociologist and a psychiatric social worker, traces the effects of the depression on one hundred families for which records have been available since prior to 1929.

*

The Public Assistance Worker. Edited by Russell H. Kurtz. New York City, Russell Sage Foundation, 1938, 224 pp. \$1.00.

Contributors to this volume include Arthur Dunham, Donald S. Howard, Margaret E. Rich, Dora Goldstine, Gertrude Vaile, and Russell H. Kurtz, its editor. The book is designed for the use of workers in the field of public assistance and is concerned primarily with the ways in which aid may be given where needed.

*

Report of the Board of Trustees of the Village of Bronxville, New York, 1937-1938. 26 pp.

Some day, perhaps, those who indulge in loose talk under the scarehead title "Democracy Is Failing!" will recognize the efficacy of one of the simple methods of making democracy work: that is, by restoring the close relationship between the citizen and his government. One of the most impressive instruments of democracy which we have seen in a long time is this report from a legislative body to its electors. Set down in simple, readable, unostentatious form is every fact any intelligent or even mildly curious person would want to know about Bronxville and its government. This is government at its core, without the blare of the loud speaker or the insufferable dullness of the archives room. Some master of literary form must have written this report, for it is almost unbelievably simple, yet manages to make everyday facts and figures sound as appealing as one of those down-to-earth sagas of the soil. The whole document is only twenty-six pages long, but as an example of typography and make-up it is superb. This has to be seen to be appreciated.

M. R.

A Correction.—In the June 1938 issue of the REVIEW, in the annual tabulation of the bonded debt of cities, the 1938 per capita bonded debt of Rockford, Illinois, was listed in error as \$116.17. The correct amount is \$116.2.

NATIONAL MUNICIPAL REVIEW

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Henry Bentley, Useful Citizen

Editorial

The "Indiana Plan" in Action

Carl R. Dortch

Cincinnati's Regional Department of
Economic Security

Lorin A. Thompson

The Selection of City Administrative Officials

A Report

New Research Bureau in Hartford

Indiana's Lobby Control Law

Manager Plan Subject of Referenda in Twelve Cities

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League's Forty-fourth Conference at Baltimore, Dec. 1st, 2nd and 3rd

Publicizing of government will be among new problems considered as Maryland city prepares to be host for the third time; questions before earlier conferences in '90's recalled.

FOR the third time in the history of the National Municipal League, the annual National Conference on Government will be held in Baltimore. The dates of this, the forty-fourth conference, are December 1st, 2nd, and 3rd. Headquarters will be at the Lord Baltimore Hotel.

Baltimore—the “most northern of southern cities, most southern of northern cities, most western of eastern cities,” etc., as one of the slogans of the charming and historically important metropolis is at times phrased—was host to the conferences of 1896 and 1914.

The first meeting to be held in Baltimore followed the organization meeting of 1893 in Philadelphia and the National Conferences on Good Government, as they were known then, in Minneapolis (1894) and Cleveland (1895). In that first Baltimore meeting the three foremost subjects under discussion were civil service reform as a prerequisite to municipal reform, whether good charters or good men were more important to good government, and whether there was greater need for municipal reform in the north or in the south.

Even though Professor Jeremiah W. Jenks came out of the cloistered halls of Cornell University to advocate a new idea called “proportional representation” as early as the conference of 1894 in Minneapolis, the discussions of the early conferences tended to concern themselves chiefly with such questions as the improvement of methods of granting public service franchises and the respective merits of unicameral and bicameral legislative bodies for cities.

It was at the Minneapolis conference that first mention of the desirability of having a model city charter, which in more recent years has become the League's most important contribution to the improvement of municipal government, was found in a paper, “Elements of a Model Charter,” by Professor Edmund J. James, of the University of Pennsylvania. After first protesting the impossibility of creating such a document, Professor James provided a discussion which for that day was daring enough, and which led to the following general provisions he would include in it:

“The greatest possible degree of autonomy or self-government; the especial differentiation between executive and legislative functions; the vesting of supreme executive authority in one person, elected by popular vote for not too short a term and independent in his appointments of the legislative department; the acceptance of a permanent, properly educated civil service under the supervision of heads of departments appointed by the chief executive; and the general constitution of the legislative department upon the principles of geographical distribution and minority representation.”

The National Municipal League has travelled far with its conferences on government since those early meetings when the organization was made up chiefly of local civic groups instead of individuals as at present; and it would be impossible to measure the number and far-reaching effect of the ideas which have come from the discussions.

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National Municipal Review

Editorial Comment

Henry Bentley, Useful Citizen

HENRY BENTLEY, member of the council of the National Municipal League, trustee of the national Proportional Representation League, and moving spirit of the famous Cincinnati City Charter Committee, died last month in Cincinnati. He was fifty-eight years old.

An ordinary man leaves a fast diminishing gap within a limited circle of family and friends. But Henry Bentley's absence can only become more exaggerated in a world which needs ever more desperately the wisdom he could give it. It is the grimmest tragedy of all that such men must leave us when they have learned so much that the world generally does not know.

A successful lawyer who was active in social service work, Mr. Bentley first became interested in reform of Cincinnati government when in 1924 the city threatened to evict patients in the municipal tuberculosis hospital because of lack of funds. After a week of intense activity, consisting of speeches, interviews, and publicity, Mr. Bentley almost single-handedly succeeded in persuading the political boss, "Rud" Hy-nicka, that a serious uprising of public opinion would result if the tuberculosis hospital was not somehow kept open.

But this proved to be only the beginning of Mr. Bentley's work. He decided that the hospital incident was only a symptom of a more serious municipal situation, became convinced that nothing of lasting value could be accomplished until the entrenched spoils machine was uprooted. The "Birdless Ballot League," object, a nonpartisan ballot, was his first essay in this direction. With Murray Seasongood and others he led

this league to victory in its first campaign against a heretofore invincible machine.

Experience soon showed that such a reform alone would be superficial. A permanent citizens group to fight for good government was necessary. Mr. Bentley became the first president of the City Charter Committee, whose underlying philosophy was that real and lasting reform could be achieved only by a combination of citizen militancy and modernization of the structure of government.

The story of Cincinnati is well known. In 1924 it was "the worst governed city." In 1938, after thirteen years of government by a city manager and a council elected by proportional representation, it still boasts of being "the best governed large city in America."

Henry Bentley's place in that remarkable panorama of municipal success is important, but not merely because he helped "turn the rascals out." He was no mere "reformer" in the usual sense. Reformers too frequently are "good" men who achieve their temporary victories, if any, by means of the impractical lubricant of fanaticism, and fanaticism is too personal a fuel long to transport others as well on the road to achievement. Henry Bentley's victory came rather of idealism combined with the salty wisdom of the practical politician. He and his Cincinnati group were among the earliest to recognize that democracy needs practical politics in the sense of sound organization and a high esprit de corps.

Mr. Bentley went the politicians one better. They were organized thoroughly

in wards and precincts. He built an organization which had a man and woman representative on every block in Cincinnati. These people were not paid. They were not looking for political pap. They were citizens sold on the idea that they themselves must participate in the democratic process if it is to work.

In Henry Bentley's own words, "The unique importance of what has been happening in Cincinnati . . . is that a citizen group has proved that a ward and precinct organization can be manned by volunteers, and that the motive of community welfare is more effective than the pressure of jobs and special privileges."

In the practical application of this wisdom, Henry Bentley, in his own quiet but effective way, made a great contribution that deserves wide recognition. Henry Bentley could never have done the job in Cincinnati alone. His organization needed leaders, and Murray Seasongood, Charles P. Taft, and those

who followed were a necessary complement to his work. But neither could the active leaders have done it without Bentley and his organization.

The problem of arousing and maintaining citizen interest in honest, efficient, and effective government is the crux of the larger problem of making democracy succeed. In these days of dictatorship on all hands, it is risking nothing to say that democracy can only be preserved if it be both responsive to public opinion and efficient. This is just another way of saying that citizens must understand the fundamental principles of governmental organization, the part that they are to play in the machinery of democracy, and the simple fact that if they lie down on the job there will be somebody else ready to take their places, and selfishly interested in doing so.

Good government came and stayed in Cincinnati because Henry Bentley and his associates stayed with good government.

When Good Partisans Get Together

THE mayor of Milton, Washington, thought it was pretty clever to enter a mule named Boston Curtis in the race for Republican town committeeman. The mayor, a Democrat, was pleased no end when the mule, without offering a platform or making a speech, was elected.

Besides being a first class joke on the mule or the Republicans or someone, this must be an argument for something. Some will interpret it as evidence sup-

porting the desirability of a totalitarian state. Others might cite it as proof that the old shibboleth "party responsibility" is again unmasked as "party irresponsibility," at least so far as local affairs are concerned.

But really, isn't it a prime argument in favor of the short ballot—a ballot short enough to permit the voter to know the candidates and be master of his job without the help of self-serving politicians?

Paging Abe Lincoln

OUT Cambridge way last month they were declaring war on the arts, the sciences, and the professions. On October 18th the city council, at the behest of Councilman Toomey, voted unanimously to "secede" from Harvard University, and instructed the city solicitor

to file with the Massachusetts legislature appropriate legislation to compel Harvard to become a separate municipality paying for its own police, fire, health, and other services.

It seems that some of the Harvard

(Continued on Page 542)

The "Indiana Plan" in Action

By

CARL R. DORTCH

Indianapolis Chamber of Commerce

Seventeen years of experience under state review of local budgets has led to only slight reduction of expenditures for local governments.

IT HAS been said that any discussion of state control over local taxation is incomplete without mention of the Indiana Plan. If that were true once, it is doubly so now, for under the present procedure of local budget review in Indiana the state has almost exclusive authority over the tax rates and budget levies of every local governmental unit.

When first inaugurated in 1921, the so-called Indiana Plan provided that local units would be free to adopt their own budget levies and tax rates, subject only to review by the state board of tax commissioners upon petition of ten or more taxpayers. In the event of such appeals the tax board was granted power to reduce any requested appropriation, adjust revenue estimates, and order reductions in tax levies and rates. On an average, taxpayers from one hundred taxing units took advantage of this provision of the law.

In recent years, however, the Indiana Plan has been materially modified. Instead of being simply a procedure whereby citizens can appeal to a state board for local tax reduction, the modern Indiana Plan contains an additional step in the review process and, since 1937, has been extended to bring practically all budgets of some sixteen hundred taxing units under the purview of state officials.

The first major change in the Indiana Plan came with the enactment of a tax limitation law passed by the special session of the Indiana legislature in 1932

and amended at the general session in 1933. This new law established a maximum rate of \$1.50 per \$100 valuation upon taxable property inside corporate limits and \$1.00 upon property outside such limits. Provision was made, however, that "if an emergency exists" as to any municipal corporation, the statutory rate might be exceeded. In each of the ninety-two counties of the state the law set up a tax adjustment board to determine what constituted an "emergency" in allowing a rate beyond the tax limits. With power to revise, change, or reduce specific items of any budget under their jurisdiction, these county tax adjustment boards were made the final local appropriating agencies. However, the law retained administrative review by the state board of tax commissioners. Any ten taxpayers were still allowed to appeal—this time from either the action of the local legislative body or the county tax adjustment board.

The unworkability of the tax rate limits and the extent to which the county boards utilized the privilege of defining emergencies are indicated in the dearth of taxing units having aggregate rates in accordance with the statutory limits. In 1931, the year prior to the passage of the first tax limitation law, only forty-nine units out of a total of 1,591 had rates of \$1.50 or less. In 1934, after the tax limitation was in effect, only 135 had rates of less than \$1.50, and two-thirds of these were rural townships for which the law fixed a limit of \$1.00. Mainly because of a large amount of state-collected locally-shared revenue returned to local units, over two hundred units established rates under \$1.50 in 1935. In that year, however, but fourteen of the 1,016 townships had a rate of less than \$1.00 upon rural property.

Seeking to liberalize the tax limits, the legislature in 1937 enacted a new tax limit law, which contained three signifi-

cant changes in the budget review procedure. First, all local budgets were to be automatically referred to the state tax board for review if the county tax adjustment boards, composed of four citizens and three public officials, failed to set a rate within the new limits—\$1.25 outside and \$2.00 inside incorporated cities and towns, debt obligations and county welfare services (but not general relief) excepted. Second, in addition to authority to revise and reduce budget appropriations and rates, the tax board was given power to increase any levy and rate, even beyond the statutory maximum, but within the limits as originally fixed by the local legislative bodies. Third, like taxpayers, local units of government were allowed the right of appeal to the state tax board.

As a result of the 1937 act, budgets from 1,577 separate taxing units were placed before the tax commissioners in October 1937. In 1,567 of the cases the budgets were to be reviewed by the state board because they affected a rate beyond the tax limits. Although the budgets were already before the tax board for final disposition, taxpayer appeals were made from twenty-seven units. Local officials in ninety-three taxing districts petitioned for a reconsideration of the county tax adjustment board action. By the end of November the tax board had rendered a final order on all budgets before it for review.

Although the present plan is a more drastic form of state control than the original procedure for review upon taxpayer appeal, the alleged advantages of having such complete autonomy vested in the state tax board are based upon the seventeen years' experience of the Indiana Plan.

What, then, have been the advantages or disadvantages of the Indiana Plan?

The state board of tax commissioners and proponents of the Indiana Plan, among whom are taxpayer groups who

distrust their own public officials, have long advocated the Indiana budget review process as a panacea for controlling local expenditures. To support this premise, they place considerable faith and emphasis upon the record of tax levy reductions. Since the introduction of the county boards of tax adjustment, they admit that the reductions made have been lessened materially by the work of the ninety-two county review agencies. Nevertheless, they point to the aggregate of twenty-four million dollars of reductions since 1921 as evidence of commensurable economy brought about in local financial operations.

CLAIMS OF REDUCTIONS NOT SUBSTANTIATED

Analyses of individual cases appealed before the tax commissioners, however, reveal that the state board's recorded figures of tax levy reductions are apparently misleading. In the first place, they do not reflect a corresponding retrenchment in local expenditures. For the most part, the reduced tax levies resulted from revisions of estimates for revenues, receipts, and balances in the budget schedules or were brought about by forcing taxing units to borrow where financing of capital improvements out of current revenues had been planned. The extent to which the record of alleged tax savings is vitiated by the tax board's policy with regard to financing of capital outlay is exemplified by the experience of appeals on the Indianapolis school city budgets. Of the tax levy reductions on a state-wide basis totaling \$15,768,352 claimed during the seven-year period, 1923 to 1929, \$8,370,196 came as a result of the tax board's action on the Indianapolis school budgets. Sixty per cent of these reductions effected in the Indianapolis school city levies was made upon the basis that bonds be issued for proposed improvement programs rather than a pay-as-you-go plan.

Secondly, even during the eleven

years, 1921 to 1931, when the reductions in tax levies of twenty-one million dollars claimed by the state were more substantial than during any other period, the aggregate amounted to only 1.7 per cent of the total local property tax load. In view of the allowance of authority given the state tax board, the total of actual work done, where cuts in appropriations are concerned, attests to a conservative interpretation being placed by its officials upon those powers. Consequently, the claims of substantial reduction in both local costs and general extravagance appear to be largely unfulfilled. Moreover, the good resulting from the state's correction of budget procedure and scrutiny for local errors and omissions in the computation of receipts and balances seems to be counterbalanced by the questionable policy followed with regard to the financing of capital improvements in the larger Indiana cities.

A basic feature of the procedure under the Indiana Plan is the provision for taxpayer appeal and public hearing. By such the aggrieved taxpayer receives, in theory, an impartial review and consideration of the facts of local finance upon which his petition is based. Unquestionably, the informal public hearing is a valuable asset of the Indiana Plan. Public officials should be ready and able at any time and before any body or group to explain and defend their expenditure plans. Two criticisms, however, arise from the tax board's procedure on the hearings and the decisions rendered. One is that the state's review is not thorough and comprehensive; the other, that the tax commissioners have no established policies upon which to base their orders.

Generally, the hearings on local budgets, which include the quite complicated documents from the larger cities, never last more than two or three hours and in many instances only a few minutes. During this time, the tax com-

missioners presumably assimilate all the pertinent facts and data concerning the taxpayer appeal and the local official reply with which to render an intelligent decision. The criticism that the tax commissioners' review is thus frequently hastily done and consequently inadequate becomes amplified and justifiably more real with the tremendous burden thrown upon the state tax board by the provisions of the 1937 tax limitation law. With the aid of a staff of only eight field men and secretary, the three tax commissioners in a month and a half held public hearings and reviewed budgets from 1,577 taxing units. It is said that the limitation of time resulted in snap judgment in scores of cases.

NO SETTLED POLICIES

Growing out of the manner in which the tax commissioners proceed in their hearings and in rendering their decisions is the charge that the state tax board has no settled policies—that, in effect, its members make rules to fit particular cases and then reverse themselves in others. There appears to be basis for this criticism. To cite one case, there is the action taken upon the Indianapolis civil city budget in 1937. Reversing an earlier order on this budget the state tax board in November, without a public hearing on the matter, restored \$42,096 in salary reductions which had been made by the Marion County Tax Adjustment Board. The tax commissioners justified their action on a premise that neither the county nor the state agencies had any authority to reduce appropriations for salaries. Members of the adjustment board indicated that they had not reduced individual salaries but only the totals for personal services with responsibility of applying the cuts being left to the city council. This was properly done, they indicated, in accordance with earlier instructions from the tax commission. At the same time it was pointed out that the state board had

taken no action on a \$6,000 reduction effected by the same adjustment board in the salary appropriation of the Indianapolis sanitary district.

The feeling that the opportunity of taxpayer appeal might encourage local officials to budget honestly and closely is not entirely borne out by experience. Instead, the threat of state intervention has often led to acknowledged budget padding. Moreover, the very nature of state control over each and every item of the budget deprives the official of, or gives him the opportunity to evade, responsibility for his budget.

Another danger inherent in the Indiana system is the unlimited power which the governor's office may assume over local budgets. The three tax commissioners are selected by the governor and may be discharged by him at any time. Thus, there is opportunity for a mayor of a city, for example, to seek the governor's influence when his budget is before the state tax board. Similarly, the state administration may cripple and retard local governmental operations should it so desire.

The best results secured by the Indiana budget review process have been those arising from budget procedures where tax levy reductions were made through the recomputation of estimates on revenues and the utilization of available surpluses. Also in favor of the Indiana Plan, it can be said that by virtue of the state's control no local budgets went unbalanced during the depression. Unlike the experience in some states, schools remained open in Indiana. This argument is offset somewhat, however, by the legislative mandate of 1933 reducing salaries of all local officials.

In the main, state veto power over local budget items in Indiana apparently has not resulted in a substantial decrease in local governmental costs. It has not eliminated the possibilities for extrava-

gance. The largest amount of reductions in local tax levies recorded to the credit of the Indiana Plan has not been a result of reduced budget appropriations. Where actual reduction in expenditure amounts was achieved by the state body, the effect was often later annulled by the enactment of additional appropriations for spending units.

OTHER MEANS OF CONTROL SUGGESTED

Yet, the conditions which gave rise to the Indiana Plan are still extant. Local governmental cost payments display an upward trend. Municipalities are increasing and expanding their services. There is an ever present need for placing checks upon the budgeting of public funds. The continuance of state grants-in-aid to local units necessitates the correct calculations by some central body of the amounts which localities may anticipate in their budgets.

Are there in Indiana organs of supervision and control which, if properly developed, might give the results that should come from a budget review process without containing the disadvantages that arise under the present type of state tax board control?

It has been suggested that two official means of control are now available. One is the county tax adjustment board. In general, it has met with approval and is said to be the best feature of the recent tax limitation laws in Indiana. As a factor of budget control it serves the purpose of bringing into perspective all budgets on a county-wide basis. Its review powers serve as a means of forcing recalcitrant officials to justify and often to balance honestly their budgets. The composition of the membership of the board enables both official and desired citizen participation in the final local fiscal policy determination.

The second agency of control is the state board of accounts. By the power vested in this board every spending unit in Indiana is now required to prepare,

adopt, and execute a comprehensive budget in accordance with prescribed forms and procedures. Although the board does not conduct any administrative surveys, a step has been taken in that direction. Provision was made by 1937 tax law for the employment by the county boards of tax adjustment of field examiners from the state board of accounts for advisory assistance in their review of local budgets. Under the suggested revision of the Indiana budget review process, this service would be expanded by establishing in the state board of accounts a permanent personnel for the purpose of aiding local officials in all stages of budget-making. It would then become a function of the state board of accounts to make investigations, analyses, and reports on local budget problems, but never to settle broad questions of financial policy. Neither would the acceptance of any conclusions given by it be made mandatory upon the local legislative bodies.

The success of such a plan for Indiana would depend largely upon the effectiveness of local home rule in taxa-

tion. It would necessitate widespread interest by citizens in the selection of the adjustment board members and in their action as such. This would undoubtedly become a task of local taxpayers' groups. Paradoxically, the Indiana Plan and its record of tax levy reductions have come from local taxpayer organizations which could not arouse sufficient citizen interest to control local public officials. With power now resident in the state tax board to raise levies and rates, however, and pressure for such from local governmental officials a likely corollary, it is possible that taxpayers in Indiana may demand a return of control over local budget levies and tax rates to local units. The county board of tax adjustment appears to be the logical place for such final authority. This is especially true since the state tax board, with its many other duties, has little time with which to exercise effectively its tremendous budget review power—power which might possibly in practice create the Indiana State Board of Tax Commissioners as an agency of tax increase rather than tax reduction.

Manager Cities Judged Best Governed

Several months ago George Arthur of Paramount Pictures went on a hunt for a city of fifty thousand or thereabouts notable for good government "for study in connection with a film, 'The Arkansas Traveler,' which is to be largely concerned with the problems of local government," and which will star Bob Burns and Fay Bainter.

Mr. Arthur asked for suggestions from half a hundred prominent political scientists. When, by a system something like proportional representation, he had tabulated his results, Kalamazoo, Michigan, which has operated under the manager plan for twenty years and which recently gained fame as the only debt-free, pay-as-you-go city over fifty thousand population, was first choice.

The other prospective cities, ALL using the city manager plan, placed in the following order by the political scientists, were:

Winnetka, Illinois; East Cleveland, Ohio; Austin, Texas; Boulder, Colorado; Ash-tabula, Ohio; Hamilton, Ohio; Janesville, Wisconsin; Colorado Springs, Colorado; Escanaba, Michigan; Columbus, Georgia; Wichita Falls, Texas; Newport News, Virginia; Kenosha, Wisconsin; Lynchburg, Virginia; Albuquerque, New Mexico; Lubbock, Texas; and Shawnee, Oklahoma.

Cincinnati's Regional Department of Economic Security

Program of organization whose efforts to help solve unemployment difficulties in scientific manner have met with wide interest, described by department's director —

LORIN A. THOMPSON

THE Regional Department of Economic Security is the outgrowth of community-wide interest in the problem of unemployment which had its beginning in 1929. At that time Colonel C. O. Sherrill, city manager, formed a Permanent Committee for the Stabilization of Employment. The committee was composed of civic leaders and public-spirited citizens representing various phases of business, governmental, and social affairs. From 1929 to 1932 the members of this permanent committee devoted themselves to the study of the economic and social consequences of unemployment in the community. During this period there were ten subcommittees at work on the following subjects: fact finding, state-city employment office, continuous employment, publicity and education, public works, state and national coöperation, coöperation with social and welfare agencies, temporary employment, transients, and budgets and finance.

Of importance was a coöperative arrangement effected between the city of Cincinnati and the Board of Education to combine an annual unemployment census with the annual school census. Today Cincinnati has comparable information for ten years consecutively as an outgrowth of this early effort.

The interest and devotion shown by the various citizens in their work em-

phasized the need for a permanent organization to execute and promote the objectives developed by the citizens committees. As a result of this widespread public interest in the unemployment problem, the Cincinnati Bureau of Governmental Research, in 1932 and 1933, prepared a comprehensive plan recommending the creation of a Regional Department of Economic Security and setting forth an outline of organization and method of financing.

After proper negotiation and discussion between the local taxing subdivisions, the State Department of Industrial Relations, and the United States Employment Service, the plan of operation was developed. With the assistance of foundation funds the organization was established in 1934.

The plan called for the opening, eventually, of six coöordinate bureaus to deal with employment, research, rehabilitation, work relief, industrial management, and community planning. The first to open was the Employment Bureau, known as the Cincinnati Employment Center, having absorbed the former State-City Employment Office in Cincinnati.

The personnel of the newly organized employment center was provided by the city of Cincinnati, the state of Ohio, the FERA and the NRS. Foundation funds were available for administrative salaries and for the research and planning activities as set up in the original prospectus of the department. The opening of this office in Cincinnati made a significant beginning toward the realization of the objectives which the various subcommittees had discussed and planned in their meetings prior to the organization of the department.

The first major task of the depart-

ment was to improve and expand the State-City Employment Office so as to provide for a community-wide employment exchange serving both employer and employee on all occupational levels. Unemployment was widespread at the time the office opened and as a result of the great interest in the new organization, job seekers on all occupational levels came to register for employment. The pressure on the new organization was tremendous. Jobs were few and those seeking work were many. As a result, the first year was devoted chiefly to developing and improving the methods of registering applicants in a public employment office. One of the innovations was an examining division which developed new aptitude and proficiency tests in a number of occupations. Since it was not possible to include all occupations in this program, efforts were directed to those in which experience had shown that testing was useful as a means of assisting the office in making a proper appraisal of the registrant's competence.

Prior to the depression, the public employment service in this country had never been equipped nor staffed to handle a mass placement problem. Offices over the country were for the most part small and decentralized. The common practice in the larger offices was for interviewers to specialize in certain occupational and industrial fields. The work of the interviewer consisted of registering applicants, contacting business organizations, and placing workers in their own special areas. This method of operation has been on the whole very successful; however, it is not adapted for mass placement. In an effort to adapt the facilities of the Cincinnati center to mass placement, the office was organized on the basis of functional divisions, each division becoming something of a specialist in its own activities. The major divisions were registration, records, and

placement. This plan has proved to be one of the outstanding and interesting features of the Cincinnati office.

STUDY OF PROBLEM NECESSARY

As the work of registering and classifying large numbers of unemployed workers progressed, it became increasingly apparent that merely registering people would not find them jobs. Of primary importance then was a knowledge of where the jobs in the community might be, how many of each kind were available, and the length of time these jobs might be expected to last during each calendar year. Consequently, the next major step of the department was to plan, in coöperation with the FERA and later WPA, for a comprehensive census of the county to determine the changes in employment by industrial and occupational groups during the depression. The items included in this regional census were worked out coöperatively by committees representing various public and private agencies.

The analysis of the census material by the research bureau of the Regional Department of Economic Security indicated the trends in employment by industries and also called attention to the classifications of those workers who were unemployed during the year 1935. Thus the community knew not only how many unemployed workers it had, but had a complete catalogue of their former experience and skill. This information was used as a basis for preparing a comprehensive plan of public works to utilize the reserve labor supply. This plan was later discussed with federal officials and a request was submitted for a local planning board to allocate and approve projects for the employment of these workers. The plan was not approved by federal authorities, however, but many of the recommendations were later carried out by the Works Progress Administration.

This comprehensive census of Hamilton County has served as the basis for many additional studies. Since the tabulation of data was comparable in most respects to the federal census material, analysis of the changes in the industrial and occupational distribution of workers during five years of depression were available. As plans were continued for remedying the unemployment problem, it was constantly found that additional factual material was needed. There were so many aspects of community life on which information was hazy. The soundest approach to a solution of these problems therefore was first to gather, tabulate, and interpret the facts. The efforts of the research bureau have been devoted chiefly to problems of this kind.

Simultaneously with the research program, a drive was made by the employment bureau to place more people in jobs through an extensive sales campaign. With the improved organization of the employment bureau, the number of placements increased, and in the years 1936-1937 the bureau placed approximately 25,000 persons each year in jobs of various kinds. This volume of placement, however, does not represent by any means the total labor turnover in the community. It simply indicates that the employment bureau was beginning to reach out and fulfill its original purpose as a community labor exchange.

To develop a completely integrated labor exchange serving all classes of people and all classes of employers, a carefully planned program of education and coöperation is needed. Our experience has shown that the business and industry of the community will not take readily to an elaborate public employment service unless it has a program which devotes itself definitely to the reduction of public expenditures for relief and assistance and also concerns itself with programs calculated to main-

tain an adequate labor supply in all occupational areas.

In the latter part of 1936 the four-point program was developed as a means of enlisting community support and coöperation for accomplishing the aims of the department.

FOUR-POINT EMPLOYMENT PROGRAM

The experience in placement was such that as business improved, there were skilled labor shortages, even though unemployment was still widespread. Going back into the history of the community, it was discovered that many of the skilled workers came here years ago from Europe. For a time new apprentices were trained so that there was no apparent labor shortage up to 1930. Because of the depression, however, apprentice training programs were abandoned. As a consequence, during the past eight years, as business conditions have improved from time to time, it has been increasingly difficult for employers to find an adequate supply of well trained skilled craftsmen. As a result:

Committee I of the Four-Point Employment Program has devoted its efforts to a study of replacement needs in the various skilled occupations. These studies are now nearing completion. The next step will be to point out to employers, school authorities, and unions probable future needs. Such efforts will bring about gradually a closer integration of the needs and demands of industry and the worker. At the same time, considerable effort will be devoted to the study of the changes which occur as a result of technological advancement.

Committee II has proceeded along lines similar to Committee I but deals chiefly with those occupations in which a short period of training is necessary. These needs as shown can be related to the vocational training program in the community. Since last year additional

funds have been made available by the federal government through the George-Dean act to assist in upgrading employees in industry. Such a program improves the worker's chances for advancement. Through coördination of these activities, now under way, much can be done to promote the stabilization of employment in industry. Training courses preparing the worker for promotion will do much to improve the morale of the worker.

FINDING JOBS FOR THE UNTRAINED

Committee III undertook the task of increasing the number of opportunities in the community for the marginal worker. Several studies made by the department's research bureau and the Community Chest pointed out that a large proportion of those on relief are workers who for the most part are unskilled. Surveys of the more fortunate economic areas indicated that there were many casual jobs which were not being filled because of the difficulty of finding dependable workers. Committee III undertook this task on a small scale in the village of Wyoming, a suburb of Cincinnati. In this community the co-operation of the residents was secured, the dependent workers on relief in the adjacent areas were assembled. The result was the development of a considerable demand for workers who could take casual jobs in this area.

Growing out of this experience, Committee III merged its activities in 1938 with the labor division of the Ohio State Employment Service in Cincinnati and has attempted to expand its placement of marginal workers in the various neighborhoods and in industry. The fact that the number of casual placements made by the employment service doubled itself within a period of two months testifies to the possibilities of this kind of endeavor. Through this constructive program, which is being expanded throughout the community, the

city can reduce its expenditures for direct relief. While it is no panacea for the relief problem, it can do much to relieve it and, incidentally, does a great deal more toward restoring the morale and self-confidence of marginal workers than any policy of direct public assistance can do.

Committee IV has devoted itself to the study of so-called unemployables in the community. Several careful investigations have shown that this residual load in the community consists of about 3,500 families. Many of the persons involved are superannuated; others are mothers of dependent children; others are wreckage resulting from industrial advancement, consisting chiefly of people whose skills are now obsolete and whose age or physical condition makes them a difficult rehabilitation and adjustment problem. As a result of the committee's work the community now knows how many unemployables it has, who they are, and why they are unemployable; a better understanding of the indigent has been brought about together with a better realization of what is required in order to meet the problem. Steps have been taken to transfer as many as are eligible to those divisions set up under the social security act for the care of dependents. As rapidly as this can be accomplished, the local relief burden is reduced. It must be emphasized, however, that the relief burden is not *eliminated*. The responsibility is shifted from the local agency to a state or federal one.

To glance back to the development of the organization in 1934, after the employment bureau was in operation, steps were taken to open up the other bureaus. Those next in order were research, retraining and adjustment (originally rehabilitation), and industrial management. The work relief bureau was not opened as the activities described in the original prospectus of the

department had been assumed largely by an Advisory Committee on Relief and Works Progress. This group met weekly and represented the heads of all of the administrative agencies concerned with relief and unemployment. It acted as a clearing house and planning committee and did much to stimulate and promote an advanced point of view among the agencies of the community.

The opening of the community planning bureau was deferred pending the development of a sufficient body of factual material in the social and economic fields on which to build. Since such a bureau of necessity must depend on careful research, more recently the major emphasis of the department has been on research and planning.

The value of the department's research material has been recognized and is being used increasingly by many public and private agencies in the community. Such studies make possible the integration of physical planning with the future industrial, economic, and social needs of the community. As time goes on, research studies indicating the status of supply and demand for labor will be increasingly important in all plans dealing with the development of the community.

TRAINING IN THE SCHOOLS

Growing out of the study of supply and demand in the labor market, attention has been turned to the need for a study of education and its relationship to the future labor supply. Several studies made by the department indicated that a large proportion of the young people coming through our public school system are without specialized training; and experience in the employment bureau indicates that many of these young people could have been placed more readily had their training been pointed in a more definite direction. As this problem was investigated, it soon became apparent that the mor-

tality from year to year in the school system after the sixth grade is one which needs more thorough study.

The state law requires that children shall attend school from the ages of eight to eighteen unless they have been graduated from high school or unless special provisions are made for obtaining a work certificate. It has long been a matter of common knowledge that not all children in the sixth grade at age eleven can follow the regular curriculum of the public schools until they are eighteen years of age without becoming dissatisfied, perhaps developing bad work habits and improper attitudes which make their adjustment to business and industrial life in the community difficult. Unless steps are taken to provide the type of training which equips a larger proportion of young people to take their places in business and industry, we shall encourage a policy of increasing dependency of large masses of people. Realizing the importance of this problem, it is impossible to suggest intelligent changes in our educational program without knowing what is the nature of these opportunities, how many there are, and what types of training are required in order to fit young men and women to accept them. This problem is by no means settled at the present time but research up to now indicates pretty clearly the industries which are expanding, those which are declining, and those which are relatively stationary. Future trends have been projected and replacement rates have been calculated for the purpose of establishing for the community a tangible goal which needs to be met.

Another arm of the department which has been functioning for some time is the adjustment bureau. Its problem has concerned itself with an attempt to translate the maladjusted dependent into an economic asset. More recently its efforts have been devoted to the

orientation of young men and women graduating from school. A plan of co-operation has been effected during the last year between the Ohio State Employment Service, the Cincinnati Board of Education, and the Regional Department in which the responsibility for placing the young graduate will fall to the public employment service in larger measure than has been true heretofore. The preliminary results of this arrangement are encouraging and show great possibilities for the future. The relationship between the employment service and the Board of Education will be helpful to both organizations. The complete school records of the Board of Education are a great help to the adjustment bureau and the employment service in pointing out those areas which the young graduate is best qualified to enter. Placement experience of the employment service with these young people will be increasingly valuable to the Board of Education in appraising the effectiveness of its efforts. The department has devoted a good deal of time and energy to pointing out the need of promoting this coöperative arrangement.

Since the establishment of its research bureau, the department has coöperated and worked continuously with other research and planning agencies in the community. The commercial, business, social, and population data are used now in conjunction with planning efforts in the housing field, real estate research, the county engineer's office, the city planning commission, the public utilities, the Chamber of Commerce, the Community Chest, and the Cincinnati Bureau of Governmental Research. No small part of the efforts in this direction have been devoted to the elimination of duplicate efforts of various agencies to gain the same information. To this extent the department has acted as a coordinating agency. While there is still

much to be desired in that direction, the program is well on its way.

THE DEPARTMENT'S PLACE IN THE COMMUNITY

The value of a separate department whose functions are primarily to investigate, promote, and coördinate activities in the social and economic development of the community seems to be thoroughly established. Its chief value lies in the fact that such a department is not directly responsible to the various governmental units. It works with them and through them but is not a part of them. It assumes the position and rôle of the detached observer to a large extent. After investigations and studies have been made, they are submitted to the agencies in the community which are interested. After discussion the agency most capable of carrying forward the program is selected, other agencies coöperating. Frequently the department is in a position to bring together groups with different points of view which are affected by the program, lay the problem before them, and, through discussion, work out an acceptable plan of action.

The department more recently has avoided the public spotlight. It has attempted to work quietly with the administrative agencies upon which it must depend ultimately to carry out its program. It has pointed out the need for careful inquiry into industrial and social problems, particularly as they will affect the lives of the children now in the schools. It has pointed out that the nation as well as individual cities would do well to make careful inquiry into job opportunities, requirements to meet these jobs, and the rate at which people may be absorbed in the various lines of industry. Our failure to have this information in the large cities throughout the country has resulted in programs of temporizing in the last sev-

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The Selection of City

Administrative Officials

Group of successful former administrators, who were themselves elected and who voluntarily retired, favor short ballot and appointed executives for cities.

EDITOR'S NOTE.—The committee which made the accompanying report on a study of the question of whether municipal executives should be appointed or elected was chosen by the League of Wisconsin Municipalities from among former mayors of cities of that state, all of whom retired from office undefeated. Students of government will be especially interested in comparing their conclusions, reached through hard experience, with basic principles found in the *Model City Charter*.

How should administrative city officials be selected? This is a question which has arisen in many Wisconsin cities. The practice throughout the state is not uniform. In some communities the only city officials that are elected by popular vote are those who are the representatives of the people pledged to carry out their will in the determination of policies, namely, the members of the common council and the mayor. On the other hand, in some cities the voters are compelled to fill numerous positions of purely administrative character such as street superintendent, police chief, assessor, city engineer, health officer, city clerk, attorney, street foreman, treasurer, and the like.

Under the home rule and general powers of Wisconsin cities this is a question that each community can decide for itself. The problem is to ascertain the proper policy. City officials throughout Wisconsin have been giving

considerable attention to this subject. In the belief that their conclusions may be of value the president of the League of Wisconsin Municipalities requested several individuals, who had served their cities as mayor for a period of years, and who had subsequently voluntarily relinquished their public office so that they could resume their place in the ranks of private citizens, to make a study of this problem and issue their recommendations thereon. It was believed that these individuals, who are familiar both with the requirements of effective city administration and with the viewpoint on this matter of the private citizen, could consider the subject from all angles in an objective manner and recommend what seemed to be the best solution in the public interest.

This report will confine itself entirely to the discussion of the selection of department heads and other administrative city officials. No attempt will be made to consider a complete personnel policy for city employees in general.

THE PROBLEM

City government today is quite a different affair from what it was when its pattern was first established in this country. Our present municipal structure was laid out largely in the days when city services were very elementary and when the country was predominantly rural in character. As recently as 1880 only about one-fourth of the country's population resided in urban communities. Today three-fifths of the people live in cities and villages. An urban civilization has developed which requires the performance of community functions formerly deemed unnecessary. Public water supplies, sewage disposal, refuse collection, parks and recreation, libraries, and similar activities are of

comparatively recent origin in most communities. Regulatory activities such as building inspection, zoning control, and the checking of weights and measures are a few of the municipal functions that have become necessary in urban communities.

Moreover, cities now perform many functions of a complex character which in the past were of quite a simple nature or were performed on a private or voluntary basis. Whereas in the past roads and streets could be maintained by having citizens work out their road taxes, the present day highway involves many complex engineering problems. Whereas the casual night watchman, many times on a private basis, sufficed in the past, it is now clear that criminals who use automobiles, radio, and high-powered firearms can be caught only through the use of up-to-date scientific methods. In similar fashion fire fighting has developed a technique which requires equipment and a knowledge quite different from the days of the original private fire companies. The present day health department must be equipped to cope with the sanitary and communicable disease problems arising where population is congested. Due to the extensive preparation of food outside of the home and the mobility of the population new health problems have arisen.

This increase in the number and scope of municipal services has naturally materially increased the cost of city government. The action of the state in imposing additional costs on city government has further increased the financial burden on property owners in cities because of the fact that virtually all of these costs have been paid for out of general property taxes. City officials, because of the inability to levy modern forms of taxes, have had to increase property taxes to a point which in some cases has become burdensome. It therefore is essential that city officials make

every effort to keep municipal costs at the lowest possible point consistent with providing essential municipal services of the quality required by citizens. They must exercise their ingenuity in finding ways of cutting municipal costs.

It is becoming increasingly apparent that proper management is the key to the success of any organization, whether it be political, business, social, or otherwise. The effectiveness with which any institution operates depends very largely upon whether those who are directing its activities are capable administrators. This is the reason why in the everyday world those who have shown their ability as administrators are usually the highest paid persons on the payroll.

In almost any city investigation will disclose that the annual municipal budget is higher than that of most, if not all, of the corporations in the community. This is not strange when it is considered at how many points municipal government and its services affect the everyday lives of its citizens. For that reason it would appear that it is only good judgment for the community to insist that competent persons be selected to guide the various city departments and undertakings. The citizens of a city are entitled to the ablest administrators that it is feasible for their municipal government to obtain. Cities have frequently found that it is not good economy to hire cheap administrators but rather that taxes are kept lower if qualified persons are secured to operate the city government.

The question therefore arises as to just what is the proper method of selecting municipal administrators.

THEORETICAL CONSIDERATION

A century ago it was the general belief that all men were equally able to discharge the duties of a governmental office. This was in the days of the pioneer when individuals found it necessary to be completely self-reliant with

the result that they and their families were prepared to do everything necessary for day-to-day existence. Since then has come the industrial revolution and the age of specialization. The jack-of-all-trades is largely non-existent now and most individuals have jobs the duties of which are quite limited in character. The same thing has happened in the field of city government as in all other lines of activity.

In former days when city government was a very rudimentary affair the custom of volunteer or part-time citizen service arose. Because the duties of municipal office were simple in character it was a relatively easy matter to pass them around from one citizen to another without any particular training or experience being required. Thus arose the habit of electing administrative city officials. Some of this habit has carried over into the present day.

At this point it is pertinent to try to determine just what is the American theory of selecting administrative government officials. Probably no better indication can be found than to ascertain the theory expressed by the framers of our federal constitution. They provide that the government of the United States shall be conducted in all its departments with only two elective officials, the president and the vice president. The latter now performs functions largely of a legislative character while acting as a substitute. Today under our federal constitution a citizen of this country votes only for four federal offices, the president, the vice president, senator, and member of the House of Representatives. In theory a citizen does not even vote for president or vice president, but rather selects presidential electors who, according to the apparent original intentions of the framers of the constitution, were supposed to select the best available individuals to fill these two offices.

The practice of electing municipal officials has continued in many states because of the desire to strengthen party machines through providing jobs for political henchmen. This necessity does not exist in the case of Wisconsin city government because of the fact that Wisconsin city offices are filled on a non-political basis without party designation, thus divorcing city government from state and national politics.

RECENT TRENDS

Because, as has been pointed out previously, many city administrative activities now involve difficult technical problems, there is an increasing recognition of the fact that there are certain key city posts which can be filled only by those having the necessary experience and training. A city engineer who is not qualified can make engineering mistakes which are very costly to the taxpayers. A waterworks superintendent who does not know how to operate the water system properly may make it necessary to charge higher water rates. Epidemics can be prevented and the public health protected only where the health officer has the necessary technical experience and training. Many other examples will suggest themselves.

Industry and business have found that turn-over in important positions is quite costly. In similar fashion the public cannot afford to have experienced city department heads replaced by individuals who must spend years learning the job properly, where this can be avoided. For example, the city clerk is now an important administrative official. He must administer the city's finances and its budget system. He must supervise the conduct of elections. He must keep the official records of the city and he must perform innumerable allied duties. A city has a real financial investment in an experienced city clerk and the efficiency of the city government necessarily suffers if that clerk

is replaced by one who must learn how to perform these duties properly. The same is true of other administrative positions.

In England municipal government has created a real career service. There the government attracts into its ranks some of the strongest and most intelligent young people of each generation. Our city governments should likewise offer careers for persons of first-rate ability. The public service should not be manned by persons failing to achieve success in the competitive world.

Some Wisconsin cities have proceeded along this line. The most recent example is that of the city of West Allis which by charter ordinance has abandoned the selection of the clerk, comptroller, and treasurer by election and has provided that they shall be appointed by a two-thirds vote of the common council and shall hold office for an indefinite term subject to removal for cause.

WEAKNESSES IN THE ELECTION OF ADMINISTRATIVE OFFICIALS

While frequently elected officials are men of high calibre, emphasis is placed upon their success as vote-getters rather than their administrative capacity. A person fitted by training and experience for an administrative position may have no vote-getting ability. It is difficult to make a profession out of a position where the selection is based upon popular appeal rather than professional standards.

If municipal service is not to suffer there must be continuity in policy. The program of a particular city department may be seriously disrupted if the person in charge is suddenly replaced through the vicissitudes of popular election.

Fortunately in many Wisconsin cities there has arisen the tradition of re-electing administrative officials who have gained the necessary experience to per-

form their duties effectively. On the other hand, there have been glaring instances where capable administrators have been turned out of office for some irrelevant reason, or because the opponent used campaign methods effective in securing votes.

Where city administrators are elected they must devote much of their energies to "fence-building." This automatically results in at least partial neglect of their city job in that some of their attention must be diverted from the main task at hand. In fact, frequently incumbents of such positions become weary of the necessity of constant campaigning and accept another position as it becomes available, thus depriving the public of valuable experience.

A business corporation would never think of filling a key administrative position by a referendum of its stockholders. Although it is true that business and industry operate for profit while municipal government functions to provide needed public services, nevertheless, there is a common aim in that both stockholders and citizens desire to have the utmost economy exercised in the expenditure of their money.

Where municipal department heads are elected the result is sometimes interference with official municipal administration. A department head may announce that he has a direct mandate from the people and therefore is not required to accept suggestions from the council or from the mayor with respect to improved methods. It is also difficult to control a situation where he neglects his duties.

The election of department heads also sometimes results in lack of coöperation between city departments such as in matters of the interchange of personnel at peak periods for the purpose of keeping municipal payrolls at the lowest possible point. There have also been instances where the installation of

modern mechanical methods was prevented because one elected official refused to participate in a program involving several city departments.

Many small cities have found that greater efficiency and economy can be attained if, instead of having a number of part-time officials, the duties of several are combined and one full-time individual is appointed who has the necessary ability to effectively discharge all of these duties. This is not possible where some of these part-time offices are filled by election.

CITIZEN CONTROL OF GOVERNMENT

It is essential that the citizens of any city should have complete control of their municipal government. This is accomplished by the election of a common council, the members of which fairly reflect the opinions and interests of the community. It is they who have the ultimate authority to decide matters of general policy.

The ballot cannot be an effective instrument of popular control unless the voter is able to use it intelligently. The democratic process is most successful where the attention of the voters can be focused upon a few offices, the incumbents of which can be held strictly accountable. A voter is likely to develop electoral indifference if he is confronted by a long ballot which bewilders him because he is completely familiar neither with the duties of the offices to be filled nor with the individuals who are candidates therefor.

The present trend is toward the simplification of government so that citizens can definitely fix responsibility and can effectively watch how their government is being operated. One of the best ways of hiding a public servant is to mix him up with many others so that none of them are important enough to attract the attention of the average citizen.

It is difficult enough to persuade citi-

zens to take an intelligent interest in their city government without confusing them by the number of officials they must elect and hold responsible. If there are too many, most citizens will not even try to become familiar with their records. The direct election of administrative officials has been a failure as a means of democratic control because the people show too little interest in their selection to exercise any real power of choice.

Democratic government is at the crossroads in the world today. Representatives of new forms of government attack democracy as a debating society in which there is too much lost motion. It therefore seems increasingly important that democratic governments be made efficient. One of the best tools to accomplish this is the recruitment of a high order of administrative and technical competency.

SELECTING GOOD ADMINISTRATORS

Former Chief Justice Ryan of the Wisconsin Supreme Court stated that: "Where you want skill you must appoint; where you want representation, elect."

The average citizen is too busy with his own affairs to be able to devote the necessary attention to the selection of administrative municipal officials even if it were feasible to work out some scheme of having large groups of citizens perform this function. Too often the public is impressed by charm of manner, skill in public speaking, adeptness in securing group support, and the like, but after all this has little relationship to the question of whether the particular person has a sound engineering background, is qualified to deal with the many perplexing problems of municipal finance, has received the technical training required to provide effective police protection, and the like.

Instead, it seems pretty clear that such details can be ascertained best by

appointment only after a searching investigation of the individual's experience and ability. Definite techniques have been worked out for securing this information. Even more important, such selection can be based upon extremely practical considerations rather than upon purely theoretical factors. Where a city does not have in force a complete civil service system, it is not difficult to use the alternative method of appointing a special committee of qualified persons to conduct an examination for such a position.

There are three possible methods of appointing city administrators: one is through selection by the mayor; another is by appointment by the mayor with confirmation by the common council; and the third is selection by a majority vote of the council. Each method has its adherents and no attempt will be made here to analyze the strong and weak points of each method.

When industry desires to fill an important vacancy it searches for the best man it can afford to employ regardless of where he is found. While it is desirable to give employment to local citizens where possible, certain technical and key administrative positions are so important to the proper functioning of the city government that public interest requires that the best man available be appointed regardless of residence. There is the further factor that a real career system can be built up for important administrative positions only if it is possible as in England for a man who has been a success in a small municipality to be able to keep moving to a larger municipality as openings occur. In the average municipality there will not be a great many positions of this character.

While it is essential that administrative officials be given indefinite tenure and reasonable security against dismissal without cause, nevertheless the way

should be left open under proper safeguards to replace individuals who, through indifference, indolence, or failure to keep abreast of new developments, do not continue to render effective service in the public interest. The danger of stagnation in important positions should be guarded against.

CONCLUSION

In the 1938 *Municipal Year Book* a writer refers to "Wisconsin, with her customary lead on her sister commonwealths in matters governmental." Wisconsin city governments which admittedly compare very favorable with those in other states should not be content to rest on past achievements but should continue to forge ahead. After all, "Forward" is the motto of Wisconsin and the aim should be to constantly raise the calibre of city government in this state. It is believed that the strengthening of the city administrative service in this state offers one of the greatest possibilities of improving municipal government in Wisconsin.

It is realized that there are many faithful elected administrative officials now holding office in Wisconsin cities. In conformity with the customary practice in such cases any change from an elective to an appointive basis should probably give indefinite tenure to those now holding these offices.

It is recognized that no system of governmental organization can be devised which is absolutely fool-proof and which cannot be improperly used. Nevertheless, it is believed that the method recommended herein will in most instances in the long run provide the best results for Wisconsin cities. As Chief Justice Charles Evans Hughes has stated: "There is no greater mistake than to withhold the power to do well in the fear of ill. There is no adequate power that cannot be abused. But we must endeavor to find a remedy against

abuse short of making official and administrative power inadequate."

HENRY HANSEN, *member*, Brotherhood of Railway Firemen, former mayor of Platteville

J. HAROLD BUMBY, *secretary-treasurer*, Advertiser's Manufacturing Company, former mayor of Ripon

A. R. GMEINER, *treasurer*, Con.

Gmeiner and Sons, Incorporated, former mayor of Waupaca

T. D. HEFKO, *florist*, former mayor of Marshfield

GEORGE W. MEAD, *president*, Consolidated Water Power and Paper Co., former mayor of Wisconsin Rapids.

EDITOR'S NOTE.—Reprinted from *The Municipality* (organ of the League of Wisconsin Municipalities), October, 1938.

FORTY-FOURTH CONFERENCE

(Continued from Page 522)

The League is often credited with having been the spearhead of the entire movement for the progress of municipal government and largely responsible for the acceptance and spread of the council-manager plan, the short ballot principle, modern budgeting and accounting procedures for cities, centralized purchasing, proportional representation, improved election methods, and other improvements.

Many local inspirations for governmental improvement have stemmed from previous conferences. It is said in Baltimore that that city's highly effective Commission on Governmental Efficiency and Economy was formed at least partially as a result of attendance by some of its founders at the 1928 conference in Cincinnati.

At this year's conference, one of the most original departures will be found in the opening session on "Publicizing Government," of which Carl W. Ackerman, distinguished dean of the School of Journalism at Columbia University, is chairman. Many other prominent authorities on various phases of governmental problems will appear on the program. Among important subjects will be county government, relief, planning, housing, municipal finance, personnel, tax limitation and exemption, law enforcement, purchasing, public

management, proportional representation, and citizen action.

Clarence A. Dykstra, president of the University of Wisconsin, and Miss Marguerite M. Wells, president of the National League of Women Voters, president and vice-president, respectively, of the National Municipal League, will be the speakers at the annual banquet the evening of December 1st.

A. W.

EDITORIAL COMMENT

(Continued from Page 524)

pundits were ringleaders in a "plot" to bring city management to Cambridge.

To us the action of the Cambridge council appears eminently reasonable and appropriate. Heretofore in other cities opposition to the city manager plan has taken the form of specious arguments regarding the plan's "unfairness to labor," its tendency to "dictatorship," its "unrepresentativeness." But always the arguers must have known that they were making up bedtime stories to lull the voters into a lasting slumber. The Cambridge politicians, on the other hand, are frank in their reasons for opposing the city manager plan. They are against anything which is intelligent, learned, or impartial, i.e., Harvard and the manager plan.

M. R.

Indiana Lobby-Control Found Insufficient

Under Present Interpretation of Law Many Organizations Escape Necessity of Registration

SUFFICIENT time has now elapsed since the passage of pressure-group legislation in Indiana to make possible a consideration of its effectiveness. The basic law was enacted by the General Assembly in 1931 and applied for the first time to the special legislative session held in 1932. The act limits itself to agents of pressure groups in the legislature and therefore excludes the powerful interests which exert pressure on the Public Service Commission, the State Board of Education, and several other departments of the state government.

Under the provisions of the act pressure groups maintaining agents in the sessions of the General Assembly must register their names, the names of their representatives, and a description of their general purposes with the secretary of state. During the special session of 1932 sixteen groups complied with the law and registered. During the regular session of 1933 thirty-two groups furnished the required information. Two years later the number had increased to forty-seven. During a very important special session held in 1936 to consider social security and welfare legislation only four registrations were lodged with the secretary of state. In 1937, however, when the General Assembly convened in regular session, forty-seven groups again complied with the law. Thus it may be noted that the number of registrations increased somewhat until 1935, but that since that time, with the exception of a special session for a limited purpose, the number has remained constant.

A ruling of the Indiana attorney general's office, to the effect that only those pressure groups paying agents expressly for their services in the legis-

lature come under the law, has undoubtedly seriously interfered with the satisfactory administration of the act. Under this technical interpretation many of the strongest groups which maintain permanent organizations with full-time agents do not feel that they are affected by the law and hence do not register at all.

The forty-seven pressure groups registering in 1937 reported seventy-nine agents at work among the members of the General Assembly. A classification of these reveals that labor stood at the top both as to number of groups registered and number of agents employed, the respective numbers being eleven and twenty-five. Banking and insurance came second, with eight registrations and eleven agents. Business accounted for six registrations and nine agents; while the public utilities had six registrations and eight agents. Four groups of public officials reported seven agents; three real estate groups, four representatives; and two liquor-gambling concerns, two agents. The construction business had one registration and two agents; agriculture one registration and four representatives; and miscellaneous groups accounted for the three remaining five registrations and seven agents. As one goes over the descriptions of the purposes of the pressure groups which registered, it becomes apparent that they are so general and ambiguous in nature as to be almost meaningless.

Of the registered pressure groups in 1937 the United Mine Workers and the Amalgamated Association of Street Electric Railway and Motor Coach Employees exceeded all other groups in number of agents employed to cultivate the members of the General Assembly.

Each group reported five paid agents. Probably the most powerful single pressure group in the 1937 session, the Indiana Farm Bureau entered the names of four representatives on the records provided by the secretary of state. Another exceedingly powerful group which stood out because of its unscrupulousness and general determination to protect the selfish interests of its members, the Indiana County and Township Officials' Association, also employed four paid agents in the legislative session of 1937.

Many of the most important pressure groups did not register at all in 1937. These included the Indiana Taxpayers' Association, the Indiana Bankers' Association, the Indiana Chamber of Commerce, the Indianapolis Chamber of Commerce, the Indiana Manufacturers' Association, the Indiana Federation of Teachers, the Indiana State Teachers' Association, the Indiana Department of the American Legion, Indiana University, the Indiana Bar Association, the Indiana Medical Association, the Indiana League of Municipalities, the Indiana Retail Grocers' and Meat Dealers' Association, the Associated Retailers of Indiana, the Indiana Fraternal Congress, the Indiana Electric Light Association, the Indiana Policemen's Association, and the Indiana Firemen's Association. Altogether at least one hundred organized pressure groups were active in the 1937 session of the General Assembly, but only forty-seven registered with the secretary of state.

Some light is thrown on the effectiveness of the law by examining the records of the seven pressure groups which probably exerted the greatest influence on the General Assembly during the 1937 session. Three of these, the Indiana Farm Bureau, the Indiana County and Township Officials' Association, and the labor groups headed by the Railway Trainmen, complied with the law and

registered with the secretary of state. Four, the Indiana Taxpayers' Association, the Indiana Bankers' Association, the teacher groups led by the Indiana State Teachers' Association and the Indiana Federation of Teachers, and Indiana University, did not file the information required by the law.

It might be assumed that the pressure groups which have not registered include those which constitute the greatest menace to the legislative process. Actually, it is only fair to state that there is little evidence of such a condition. In general, the standards of the four non-registered groups listed above were higher than those of the registered groups, although if the notorious Indiana County and Township Officials' Association were omitted from the first group there would be little difference. A rough breakdown of the forty-seven groups which complied with the law reveals that thirty were interested almost exclusively in their own projects, sixteen combined interest in pet bills with general interest in legislation, and one supported all legislation that seemed likely to promote the general welfare. A similar classification of fifty-seven non-registered groups would place twenty-nine in the first category, twenty-three in the second, and five in the third.

Perhaps the best thing that can be said in regard to the existing law is that it constitutes a beginning. To be at all effective, it should specifically include the powerful organizations which at present escape under the technical ruling of the attorney general. Moreover, a really adequate law might include the pressure groups which are active in other departments of the state government. The conduct of certain school book concerns in connection with the State Board of Education and of certain utility companies in dealings with the Public Service Commission indicates the

(Continued on Page 560)

New Research Bureau Established at Hartford

Carter Atkins of St. Louis Appointed as Bureau's First Director

THE research movement moved forward another step on October 7th when it was announced in Hartford, Connecticut, that Carter W. Atkins, veteran researcher, past president of the Governmental Research Association, member of the council of the National Municipal League, and for fifteen years director of the St. Louis Governmental Research Institute, had been appointed to head a newly formed research bureau for Hartford.

The local Chamber of Commerce and leading business men, including prominent officials of the insurance companies for which Hartford is noted, were the organizers of the new bureau, which is to be called the Governmental Research Institute, Inc. Frazar B. Wilde, president of the Connecticut General Life Insurance Company, who is chairman of the Institute, expressed the aims of the research organization as follows:

"It is the intention of the sponsors here that it will be an impartial, fact-finding instrument for the information of anyone in the community. We hope that it may demonstrate where municipal economies may be effected, or where better service can be furnished at no advance in expenditures, but it will be done in a spirit of objective presentation of the facts. Moreover, it is not set up with the promise to the people that it will immediately lower the tax rate."

A note encouraging to those who feel that research, like art, is long, is found in Mr. Wilde's insistence on the permanence of the bureau. "No such bureau," he added, "could serve effectively and

to the best advantage of the community on a one-year or similar short-time basis."

The bureau will be financed by the Chamber of Commerce, which recently succeeded in raising a substantial maintenance fund, but it will have a directorship of its own. The formation of the bureau grew out of a series of "business clinics" programs sponsored by the Chamber of Commerce, at which a twelve-point program was formulated which placed first the need for a "tax bureau" which would "conduct a scientific research and investigation into public affairs, make public this information, and promote economy and efficiency in the conduct of public affairs, particularly in the municipal affairs of the city of Hartford."

After the general need had been felt for some such bureau, the executive secretary of the National Municipal League was called on for advice as to the specific kind of organization which should be set up, and the type of leadership desirable. It was then that Mr. Atkins' name was suggested.

Carter W. Atkins has had a long record of service to research. He was born forty-seven years ago in Mexico, Missouri, and attended Missouri and Washington Universities, taking special courses in accounting, economics, and political science. After serving with the United States Ordnance Corps during the World War he went on to service in the research field, at which he has been occupied ever since.

M. R.

The City Manager's Code of Ethics

This revision of the first code adopted in 1924 was approved on September 29, 1938, at the twenty-fifth annual conference of the International City Managers' Association at Boston.

IN ORDER to achieve effective, democratic government, the council-manager plan provides that municipal policy shall be determined exclusively by a legislative body elected by the people and that the administration of policy shall be vested in the city manager who, as administrative head of the city, shall be appointed by and responsible to the council. The International City Managers' Association is a professional organization of city managers; its purpose is to increase the proficiency of city managers and to aid in the general improvement of municipal administration. To further these objectives the association believes that these ethical principles should govern the conduct of every professional city manager:

1. No member of the profession seeks or accepts a position as city manager unless he is fully in accord with the principles of council-manager government and unless he is confident that he is qualified to serve under these principles as city manager to the advantage of the community.

2. The city manager has a firm belief in the dignity and worth of the services rendered by government and a deep sense of his own social responsibility as a trusted public servant.

3. The city manager is governed by the highest ideals of honor and integrity in all his public and personal relationships in order that he may merit the respect and inspire the confidence of the administrative organization which he directs and of the public which he serves.

4. The city manager believes that personal aggrandizement or personal profit secured by confidential information or by misuse of public time is dishonest.

5. The city manager is in no sense a political leader. In order that policy may be intelligent and effective, he provides the council with information and advice, but he encourages positive decisions on policy by the council instead of passive acceptance of his recommendations.

6. The city manager realizes that it is the council, the elected representatives of the people, which is entitled to the credit for the fulfillment of municipal policies and leaves to the council the defense of policies which may be criticized.

7. The city manager keeps the community informed on municipal affairs but keeps himself in the background by emphasizing the importance of the facts.

8. The city manager, in order to preserve his integrity as a professional administrator, resists any encroachment on his control of personnel, insists on the exercise of his own judgment in accomplishing council policies, and deals frankly with the council as a unit rather than secretly with its individual members.

9. The city manager handles all matters of personnel on the basis of merit. Political, religious, and racial considerations carry no weight in appointments, salary increases, promotions, and discipline in the municipal service.

10. The city manager curries no personal favors. He is the administrator for all the people and handles each administrative problem without discrimination on the basis of principle and justice.

PUBLIC MANAGEMENT

October 1938

Recent News Reviewed



NOTES AND EVENTS

Edited by H. M. Olmsted

Council-Manager Plan Developments.—

Hutchinson, Kansas, (27,085) will vote on a manager charter November 8th. If adopted, the plan will go into effect next April, following the election of a five-man council at the regular city election.

In Greenwood, South Carolina, (11,020) on the same day, a vote will be taken to determine whether the citizens are in favor of the city manager plan. This is expected to be in the nature of an advisory vote for the information of the legislators in considering manager legislation when the general assembly meets in January.

Other cities voting on manager charters, as mentioned in previous issues, include Yonkers, New York, (134,646), Cambridge (113,643), Quincy (71,930), and Northampton (24,381), Massachusetts, all of whose charters include the use of proportional representation in the election of the council; and Chicopee, Massachusetts, (43,930), voting on the manager plan only.

Battle Creek, Michigan, (43,757), Traverse City, Michigan, (12,539) and South Euclid, Ohio, (4,399) are voting on the election of charter commissions. In all three cities there are active movements for manager government.

In Waltham, Massachusetts, (39,247) where petitions were filed asking for an election on the city manager plan and proportional representation, the State Ballot Law Commission has refused to certify the petitions for the November election because "the clerk failed to put a pin through the separate sheets, thus attaching them as required by law." In

Midland, Michigan, (8,038) petitions asking for a revision of the city's charter and nominating members of a commission to draft such a charter were also kept off the November ballot because of a ruling of the city attorney that they were not filed in sufficient time. It is hoped that the Midland election will be held a few months hence.

Much interest in the manager plan is reported in Gardiner, Maine, (5,609).

The manager idea both for Jefferson County, Alabama, and the city of Birmingham, situated therein, has progressed so far that Senator James A. Simpson, according to the *Birmingham Post*, believes that the legislature will authorize the two proposals, subject to a referendum next spring. Two five-man councils, one for the city and another for the county, with nominal salaries, are proposed, to supersede the city commission in 1941 and the county commission at the end of 1942, when the incumbents' terms expire.

According to the *State*, of Columbia, South Carolina, a law enforcement association in that city is asking the legislators, as one of six propositions inquired about, to work for a city manager bill for Columbia, the state capital. This was editorially commended.

On September 8th, by a vote of six to one, the borough of Ephrata, Pennsylvania, (4,988 population) decided to take advantage of the state borough manager law; it is the first community in Lancaster County to adopt council-manager government.

Ashland (29,074) and Paducah, (33,541) Kentucky, will vote on November 8th on proposals to abandon their manager charters.

Houston, Texas, on October 3rd, defeated some twenty-nine proposed changes to its charter, a number of which would have provided a modified manager plan.

First Pan American Congress of Municipalities.—The city of Havana has been selected as the meeting place of the First Pan American Congress of Municipalities. The Congress will hold its sessions November 14th to 19th, at which time its organization will be perfected and permanent officials chosen.

Among the speakers from this country are included such prominent persons in the field of government as the following: Frank Bane, executive director of the Council of State Governments, formerly director of the Social Security Board; Walter H. Blucher, executive director of the American Society of Planning Officials; Clarence E. Dykstra, president of the University of Wisconsin and of the National Municipal League; Mayor Daniel W. Hoan of Milwaukee; William Hodson, commissioner of the Department of Welfare of New York City; Harold Ickes, Secretary of the Interior of the United States; William E. Mosher, director of the School of Citizenship and Public Affairs at Syracuse University; Clarence E. Ridley, executive director of the International City Managers' Association; Donald C. Stone, executive director of Public Administration Service; and Leonard D. White, formerly a member of the United States Civil Service Commission, now professor of public administration at the University of Chicago.

The subjects to be discussed include municipal organization and administration, public utilities, public works, transportation, public safety, social problems and activities, and intermunicipal coöperation.

*

Studies of Local and Territorial Government in Hawaii.—The Honolulu Charter Commission, which was authorized by action of the 1937 legislature, has been functioning for several months and has made quite an exhaustive study of the city manager, the strong mayor-council, and other forms of municipal government, and has about arrived at its conclusions upon which its report to the governor and legislature will be based.

The Honolulu Charter Commission, the mayor and the Board of Supervisors of the city and county of Honolulu requested the Hawaii Bureau of Governmental Research to make a study of municipal government administration in Pacific Coast and Rocky

Mountain cities with the view to evaluating local governmental services and activities by comparison with similar activities in these mainland cities. The secretary of the bureau has been studying these cities at first hand and the bureau is now preparing a report based upon that study, which will be submitted to the charter commission and to the mayor and Board of Supervisors.

In addition to the studies of city and county government administration, the Governor's Advisory Committee on Public Personnel Administration has been very active during the past year. The advisory committee was appointed by the governor and instructed to make a thorough study of all problems pertaining to local public personnel administration, and to make such recommendations to the governor and the legislature as, in the opinion of the commission, would put local public administration on a modern, scientific basis. The governor's committee has made a thorough study of local employment conditions in private industries and enterprises and in the local federal service and compared these conditions with those now existing in local governmental service. From these studies and comparisons they have about arrived at definite conclusions upon which their recommendations to the governor and the legislature will be based.

Because of the low price of sugar and conditions which have prevailed in the pineapple industry for the past several months, there has been a very heavy falling off in the net income tax collections made by the territorial government. The territorial Bureau of the Budget and the Hawaii Bureau of Governmental Research have been requested to make a study of the present financial situation and to make recommendations to the governor which will assist him in submitting a balanced budget to the 1939 legislature for the biennial period 1939-1941.

In addition to these activities upon the part of the Bureau of Governmental Research and the Bureau of the Budget, a legislative hold-over committee, composed of a selected group of senators and representatives, has for the past several months been making a study of territorial government administration with the view to determining the possibilities of mergers and amalgamations of departments, boards, and commissions in order to simplify

the administration of the government and to reduce its cost. Findings of this joint hold-over committee probably will be ready for release some time near the end of the year.

NOLLE R. SMITH, *Secretary*
Hawaii Bureau of Governmental
Research

*

Students Inspect Metropolitan Areas.—

Under the leadership of Harold S. Jacoby, assistant professor of sociology at the College of the Pacific, Stockton, California, a group of students during the past summer visited one mid-western and four eastern metropolitan communities, gaining first-hand knowledge of various physical, governmental, and socio-economic characteristics. The cities visited were Chicago, New York, Washington, Philadelphia, and Boston. The program included attention to city planning, housing, governmental organization, formal and informal, transportation, recreation, poor relief, education, health, etc. In New York it was carried out with the most thoroughness. Inspection trips and seminars were held, with the co-operation of leaders of the various type of activities.

*

Memphis to Rezone against Blight.—

A re-examination of the city plan of Memphis, Tennessee, in the light of social, economic, and technological changes, has recently been undertaken at the instance of Mayor Watkins Overton, and a rezoning of the city is expected to follow, largely with the idea of removing some of the reasons for blighted areas which Memphis, like all large American cities, includes within its limits. Emphasis will be shifted from commercial to residential use, with steadier and more dependable land values. According to Commissioner Ralph Picard, neighborhood planning will be carried out, following rezoning, with encouragement for cooperative action of property owners for neighborhood protection and improvement.

*

Toward a Better City.—The Philadelphia Award, established by public-spirited Edward W. Bok some seventeen years ago, has a Scottish counterpart in the recently announced Glasgow Award.

A resident of Glasgow, who desires to remain anonymous, has just instituted a fund to provide a prize to be awarded once in

every three years. It is expected to have a value of \$5,000.

This prize is to be awarded to the person who, in the opinion of the selectors, has in the course of the preceding three-year period done the most for the city of Glasgow by way of action, instruction, or suggestion along the lines laid down by the donor.

The fund itself is to be of a permanent nature, its trustees being the Union Bank of Scotland. Its selectors will be a representative committee of Glasgow citizens.

It is intended that the first award will be made in the fall of 1939, the prize being officially known as the St. Mungo Prize—in tribute to the city's patron saint.

JASPER B. SINCLAIR

*

City Printing Cost Pared by WPA.—

Reductions of hundreds of thousands of dollars annually in New York City's printing bill are being made possible through recommendations of a WPA project, according to a report by Deputy Commissioner of Purchase Albert Pleydell. The work is that of the standardization of forms and procedures project, under the joint sponsorship of Comptroller Joseph D. McGoldrick, Commissioner of Purchase Russell Forbes, and Commissioner of Investigation William B. Herlands. Besides drastically reducing the number of forms and of sizes and grades of paper, the work will increase clerical efficiency.

*

New Director for Council of State Governments.—

The Council of State Governments has recently announced that Frank Bane, director of the Social Security Board at Washington and formerly director of the American Public Welfare Association, has accepted the position of executive director of the council. Mr. Bane succeeds Hon. Henry W. Toll, a former member of the Colorado State Senate, who has resigned after serving for a number of years as the Council's first and only director.

*

Interstate Regional Conference.—

Interstate and regional problems ranging from river pollution to trade barriers will be considered at the 1938 regional assembly called by the Council of State Governments in Chicago for November 21st and 22nd, for districts 5 and 7, which include Illinois, Indi-

ana, Iowa, Kentucky, Michigan, Minnesota, Ohio, Tennessee, West Virginia, and Wisconsin. Two eastern districts will also be represented.

*

State Financial Officers Discuss Social Security.—The relation of the federal social security act to state fiscal officers, who are generally responsible for its financial administration in the states, will be the foremost topic at the 1938 conference of the National Association of State Auditors, Comptrollers, and Treasurers, meeting in Gulfport, Mississippi, November 15th to 17th.

The first two days of the meeting will be devoted largely to financial administration of social security and relief; round tables on accounting and auditing problems and on supervision of local governments with respect to their debt problems will be features of the final day's sessions.

*

Social Legislation Prominent in States This Year.—The list of laws passed in the twenty-six legislative sessions in 1938, according to the Council of State Governments, stressed labor provisions, low-rent housing, planning, social disease control, social security and public welfare, and relief financing. There were nine regular and seventeen special sessions, two of the latter carrying over from 1937. One regular session (New Jersey) and one special (Pennsylvania) were still in progress in October.

The number of states with local housing authority enabling legislation was brought to thirty-three, and all forty-eight states have now adopted social security plans for assistance to the aged, the blind, and dependent children; and various states passed laws liberalizing unemployment compensation, old-age assistance, etc. Four states acted on planning or zoning provisions. The year was notable for absence of acts levying new taxes.

*

Extending Civil Service Classification Plans.—In line with increased activity of state and local governments in maintaining up-to-date classification plans for defining duties and responsibilities of positions under their civil service systems, the states of Michigan, Connecticut, New York, and New Jersey completed or planned for classification of all state employees during the past year, according to the Civil Service Assembly. Mich-

igan and Connecticut used the classifications as the initial step in installing state civil service. New York began a general reclassification program by authorization of its legislature, which established a permanent classification division in the state civil service department. The New Jersey legislature appropriated \$16,000 for reclassification purposes.

Among the local jurisdictions which have reworked their classification plans during the year are Los Angeles County, California; Milwaukee County; Wisconsin; and Sacramento County, California; the Chicago Park District; the cities of Alameda and Coalinga, California; Madison, Shorewood, and Wauwatosa, Wisconsin; Fargo and Minot, North Dakota; Cleveland, Ohio; Seattle, Washington; and Evanston, Illinois.

*

Civil Service in New Mexico.—According to the *New Mexico Tax Bulletin*, the merit system established in the Unemployment Compensation Commission is the first such system to be set up in the state, with the exception of the employment service, which is operated on such a basis under agreement with the federal government. The first examinations were held in August, and a complete statement of qualifications, regulations for the operation of the system, and a standardized salary schedule have been announced.

Except for the system of examination and training for teachers, the first department to institute examinations was the motor patrol, created in 1933.

In the department of public welfare a system of in-service training has been established for the improvement of the personnel.

*

Government Reorganization Studied in Michigan.—A group of sixty-four of the state's leaders in public activities has been authorized by Governor Frank Murphy of Michigan "to make a study of the means and methods whereby changes may be made in the procedure and structure of the state government that will provide greater efficiency and economy in the conduct of public affairs, improve the quality of the public service, and make the government more responsive to the public needs." It is expected that recommendations will be made to the 1939 legislature, including the designation of a permanent agency to continue the study. Reform of

local government, including county reorganization, may be taken up after state problems. Other items under consideration are new functions, powers and activities of government, reform of the legislature, including the basis of representation and apportionment, and judicial reform, including tenure and selection of judges.

*

National Career Service Organization

Proposed.—A special committee of the Career Service Guild of Los Angeles, California, which is made up of governmental interns of Los Angeles County, has proposed the formation of a national organization, consisting of a somewhat loose federation of existing local groups, such as the Los Angeles guild, and organizations of graduates, particularly interns, of schools and institutes training for governmental career service with emphasis on internship. Among potential activities it was mentioned that the organization would help in developing internship programs in governmental units and in placing its members, set up awards for unusual service, sponsor lectures and radio addresses on professional aspects of governmental administration, act as a clearing house for career service activities, and develop standards of training, administration, and ethics.

*

Expanding Federal Merit System a

Safeguard for Democracy.—In a message to the Civil Service Assembly on October 17th President Roosevelt stated that he would request adequate funds to extend the federal civil service system, and said: "You who are engaged in the technical development of personnel administration today are building a bulwark of efficiency against a danger constantly confronting all government, particularly democratic government."

*

Public Safety Work at Rutgers Univer-

sity.—A survey is being conducted at Rutgers University, New Brunswick, New Jersey, to determine to what extent the university should take a more active part in the broad field of public safety. The survey will include a study of what other universities are doing and of the existing facilities at Rutgers. Through a bureau in the extension division training is now offered to traffic police and engineers in traffic control.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

County Boards of Agriculture in Virginia.—Due largely to the stimulus furnished by the Extension Division of the Virginia Polytechnic Institute there has been a significant development taking place in Virginia counties. This has been the organization of county boards of agriculture in eighty-nine counties. Beginning as agricultural advisory boards, these local bodies of representative citizens have developed into what might be considered unofficial county planning boards. On these boards are representatives of every type of agricultural agency and they are concerning themselves with everything that has a bearing on rural life. In editorializing on the development, the *Richmond Times-Dispatch* says, "The Extension Division of V. P. I. has done a great deal for education in Virginia, but it has done nothing more important than to bring home to the local communities of the state the need for a continuous interest in planning their future. . . . With 89 per cent of the Virginia counties having local boards of policy makers, it can be said that we are on the way up from rural complacency in this state."

*

County Commissioners of Pennsylvania

Adopt Resolutions.—Among the resolutions adopted by the Pennsylvania State Association of County Commissioners at its recent convention, as reported by *Your Dollar's Worth*, were the following:

Enactment of legislation under which the state would pay the costs of discharged cases in which fines, if imposed, would go to the state;

Authority for county commissioners to compromise delinquent taxes where the total of unpaid taxes and penalties is greater than the value of the property;

Opposition to the pending constitutional amendment to establish a ten-mill limit of borrowing for local governments;

Authority for county commissioners to decide the advisability of tax sale adjournments and road construction projects;

Exclusive use of all automobile license fees and gasoline taxes for highway purposes and

a "logical, wisely planned schedule of road construction and improvement . . . based on the result of the recent traffic survey of the state and on the best principles and methods of highway engineering";

Legislation to make the county tax year conform with the fiscal year.

*

Another California County Adopts Zoning Ordinance.—Marin County (lying across the Golden Gate from San Francisco) is the first county in California to adopt a comprehensive zoning ordinance under the new California planning act.

According to a recent announcement of the American Society of Planning Officials, the county planning commission first adopted the general outline of a land use plan for the entire county. This gives consideration to (a) existing uses of land and buildings, (b) tendencies of development, and (c) desirable utilization. The ordinance becomes a means of accomplishing the objectives of this land use plan, and is vastly broader in scope than would be the case if it had been developed as an aggregation of regulations for a series of local communities, based solely on conditions in those communities.

In common with zoning ordinances of some other California counties the ordinance requires that prospective builders in roadside and certain other business districts shall submit plans and sketches of their proposed buildings to the planning commission for review. No building permit may be issued until the plans have been approved. For a distance of ten miles along the Redwood Highway roadside business is permitted only in five small business centers and even here the type of business is limited. No outdoor advertising is permitted anywhere along the highway except on places of business and that is strictly limited in extent.

*

Forty South Carolina Counties Have Library Service.—At the beginning of 1936 only three counties in South Carolina had satisfactory county library systems: today forty of the forty-six counties have a county-wide library service, the American Library Association's *Bulletin* reports. There are thirty-six book trucks on the road. Numerous new reading rooms and book stations established in small communities and schools are

served by the bookmobiles, which also give a direct service almost amounting to house-to-house routing in sparsely settled counties. The movement received its initial impetus from the WPA, which not only furnished a nucleus of books but subsidized the trucks. Now, however, because of the insistence of rural women and citizens committees, the counties are beginning to provide support from tax sources. It is believed that the activity of these citizens committees, together with the ever expanding demand of new readers, insures the continuance of the service.

TAXATION AND FINANCE

Edited by Wade S. Smith

Franchise Slighted, Bonds Questioned.—

Because it tried to save expense at a special election, a Montgomery County, Ohio, township recently had bonds approved at the election ruled illegal. As a consequence, doubt is cast on the validity of some \$3,000,000 of newly voted school bonds in the state.

Mad River Township submitted a \$66,000 school bond issue to its voters on September 17th. School officials, acting under a seventy-year-old statute, opened only a part of the voting precincts to save expense. The bonds were approved by the voters, and the school board sought to sell them to the state teachers' retirement system, which as a matter of routine referred the issue to the office of the state attorney-general for legal opinion. Early in October Willard Rivers, assistant attorney-general, ruled that the bonds were illegal, because all the regular polling places were not opened for the special election. The opinion held that under the uniform bond act of 1935, all precincts must be opened at a special election.

School officials withdrew their offer of sale, so that the opinion was not formally published, according to the press. The school district plans to ask a Montgomery County Common Pleas Court to rule on the validity of the bonds. The case will have considerable importance as a court test of the interpretation of the 1935 statute by the attorney-general's office, since the practice of opening only a part of the polling places for a special election is said to be a common one in Ohio. Dr. David Sutton, director of school finances

for the Ohio Department of Education, estimated that validity of \$3,000,000 school bonds voted in Ohio in recent weeks is clouded by the interpretation. Bonds voted at the August 9th primary and at the regular elections are not affected, since all polls are opened on those occasions.

*

Dayton Schools Close.—Public schools of Dayton, Ohio, closed Friday, October 28th, rather than operate on a deficiency basis and "encumber the future," while school officials of Parma, a community suburban to Cleveland, announced that its schools would close November 9th.

The closing in Dayton, announced as for a period of at least six weeks, comes as school authorities seek approval at the polls November 8th for a two-mill extra levy for school operations. Nevertheless, the situation serves to dramatize the stringency arising from the state's ten-mill over-all tax rate limit.

Under the ten-mill limit each local unit receives two-thirds of the average amount it had received during the preceding five years, when operating under the fifteen-mill limit. The Dayton school district receives under this arrangement 4.48 mills inside the limit, and levied for 1938 an additional .9 mill for service on bonds voted outside the limit. Dayton is said to be the only large city in Ohio where an extra levy for school operating purposes has not been voted. The 1938 rate of 5.38 included 4.12 for operations, or \$1,318,400, out of a total school levy of \$1,717,190. Valuations are on a 100 per cent basis, with the total tax rate for all units in Dayton only 15.80 mills.

Dayton's schools were closed in the face of a deficit of but \$61,936, but lack of funds in the state school foundation fund which makes grants to the local systems is a more important factor in the closing. This fund has a revenue deficit of about \$17,000,000 with rehabilitation a vital issue in state politics. Dayton school authorities hold that even with resumption of state aid, the two-mill levy, which requires 65 per cent of the votes to pass, is necessary to keep the schools open.

The school board is said to have acted for closing after receiving petitions from the various teachers' groups, urging closing if funds were not immediately available. A dissenting member of the board held the

action was unnecessary, and on October 29th secured a temporary injunction restraining the closing of classrooms to the city's 34,000 students pending hearing on a motion for a permanent order. This action was later dropped. Meanwhile, school authorities may be considered to be putting on a good show in their campaign for enactment of the two-mill school levy at the election November 8th. (Dayton papers please copy.)

*

New York Constitutional Amendments Affect Local Finances.—New York State's proposed new constitution, to be submitted to the voters November 8th, contains a number of provisions of importance to the local governments of the state. Among the more important provisions affecting local finance are the following:

1. Hereafter local indebtedness may not be contracted for a period longer than the useful life of the improvement to be financed, nor for a period exceeding forty years.

2. Bonds issued hereafter cannot be refunded, and bonds issued heretofore can be refunded for no longer than twenty years and then only upon the approval of the state comptroller.

3. Bonds must be serial, with the first installment payable not more than two years after date of issue.

4. The 10 per cent debt limit of cities is extended to all villages, and reduced one-half of one per cent for cities and one per cent for villages in 1944 and 1949, so that after 1949 cities will have a limit of 9 per cent and villages of 8 per cent. The debt limit is to be based on the average assessed valuation of the succeeding five years, instead of on the last assessment roll. Moreover, exemptions are reduced and clarified.

5. The present 2 per cent tax rate limit, now applicable only to large cities, is extended after January 1, 1944, to all cities and villages. The tax rate limit, like the debt limit, is to be based hereafter on the five-year average of assessed valuations, rather than on the last year's roll. The limit does not include taxes levied to pay principal and interest on indebtedness, nor to school taxes where the school district and the city are not now co-terminous. Also, the legislature may exclude school taxes in the other cities of less than 100,000 population.

The above proposals are contained in Arti-

cle VII. In Article III, dealing with the legislature, a prohibition is proposed that the legislature may not require municipally-operated utilities to be run on a service-at-cost basis, but that they may be allowed to earn a "fair return" which may be used for general municipal purposes.

The proposed new article on housing, in addition to providing for state subsidies to cities, towns, villages, and public corporations for the establishment of low rent housing and slum clearance, would permit the legislature to empower the local units to contract debt for housing up to 2 per cent of their five-year average assessed valuation. Such debt would be deductible in computing net debt for purposes of the general debt limit if the housing earnings were sufficient to cover operating costs and debt service, but would have to be payable from taxes other than on real estate—except that if such other taxes levied at the time the debt was contracted were insufficient, levying of ad valorem real estate taxes would not be prohibited.

The proposals in Articles III and VII are incorporated in the first of the nine questions into which the constitutional document was broken for submission to the voters. This is the so-called "catch-all" question, and while the local finance proposals in the main follow accepted lines many other proposals under the question are variously objectionable, and the whole question is regarded as likely to be defeated by many observers. The housing amendment is being submitted separately as question four.

*

Debt Limit Change Proposed for Pennsylvania.—A proposed constitutional amendment was introduced recently in the Pennsylvania legislature seeking to change the base upon which the debt limits of Pennsylvania municipalities are computed. At present the limit is based on the last assessed valuation. The proposal is to base it on the average annual valuation for the last ten years of real estate only. Greater stability and a consequent lessening of the sharp upturn of local borrowing margins in boom times are claimed as advantages resulting from the change. No mention is made of the fact that in the case of economically declining communities, of which Pennsylvania has not a few, property valuations no longer supportable would be un-

duly projected into the base, since a ten-year average will be weighted with early high valuations in the case of a community of steadily declining valuations just as much as it will be weighted with early low valuations when the trend is upward. Actual debt limits remain unchanged under the proposal, 10 per cent for the city-county of Philadelphia, 7 per cent for all other local units of government, except that all counties are raised from 7 per cent to the 10 per cent accorded Philadelphia. An additional 3 per cent for sewer bonds could be voted, while the method of computing Philadelphia's net debt would be changed—at present utility debt may be deducted only if the enterprise is fully self-supporting, but the proposal would permit deduction to the extent of self-support.

*

November Bond Elections Down.—State and municipal bonds voted on during November, principally at the general election on November 8th, aggregate only \$63,000,000 according to the *Daily Bond Buyer*, a total which compares with approximately \$200,000,000 submitted at elections during November 1937, and one of the smallest in recent years. This year 165 states and local units will seek to have bond issues authorized at the polls, whereas 264 units submitted bond proposals during November last year.

The abnormally low total of issues to be submitted does not indicate any slackening of municipal borrowing, however. For the first nine months of 1938 bond issues approved by voters aggregated \$163,792,000, a figure less than \$2,000,000 under the total for the entire year 1937. Moreover, of the \$200,000,000 bonds submitted last November, all but about \$58,000,000 were turned down by the voters. Thus even though a substantial portion of the bonds to be voted on during November this year are not approved, there is every indication that the total for 1938 will be well above that of 1937. Furthermore, there are many states and local units which may issue bonds, or certain types of bonds, without submitting the issues to the voters, whose offerings go to swell the total of state and municipal borrowing.

At least a partial explanation of the low total to be submitted in November is to be found in the abnormally heavy concentration of local bond elections during the latter part

of September, when units were seeking to assure the PWA that funds would be voted to match federal public works grants. The deadline on PWA applications was October 1st. Another factor is that last year's elections included a sizeable number of extremely large issues—such as New York State's \$40,000,000 issue and Pennsylvania's \$42,000,000—while the largest single issue this year is \$10,000,000, sought by Baltimore. Other large authorizations sought this year include \$4,500,000 by Cuyahoga County, Ohio, for roads and bridges; \$4,000,000 various purposes for Atlanta, Georgia; \$3,500,000 various by Cincinnati; \$3,347,000 by Duval County, Florida; \$3,000,000 bridge by Cleveland; and \$3,000,000 highway by the state of Montana. Authorizations of from \$1,000,000 to \$2,500,000 are sought by Fulton County, Georgia; Jacksonville Florida; Harrisburg, Pennsylvania; New Orleans; Owensboro, Kentucky; and Savannah, Georgia, the latter a refunding issue. From \$500,000 to \$1,000,000 is sought by Duluth, Minnesota; St. Louis County, Missouri; Hamilton School District, Ohio; Springfield, Ohio; St. Louis, Missouri; Aliquippa, Pennsylvania; and Hamilton County, Ohio.

*

Relief Load Up.—Obligations of \$258,700,000 were incurred from federal, state, and local funds for payments to recipients of public relief in July, according to the September *Bulletin* of the Social Security Board. The figure, representing an increase of 1.2 per cent over June, showed July the fourth successive month during which the total amount incurred exceeded that for March 1936, the peak month of the period January 1933-March 1938.

Of the July total, \$149,200,000 represented the earnings of WPA workers, an amount which compared with \$36,900,000 for general relief, \$42,600,000 for old-age assistance, aid to dependent children, and aid to the blind, \$19,800,000 for the CCC, \$5,700,000 for various federal projects and agencies, \$3,200,000 for the NYA works projects, and \$1,300,000 for emergency subsistence payments to farmers. The number of households in which one or more types of public relief were received in July is estimated at 6,500,000 and the number of persons in these households at 20,800,000. These figures represent increases over

June of 1.6 per cent and 2 per cent respectively.

Of special interest, in view of the various proposals on ballots in several of the states, is the trend of old-age assistance. For July there were about 1,700,000 recipients of old-age assistance in the forty-seven states (Virginia's plan was not yet operative, being approved September 2nd), the District of Columbia, Alaska, and Hawaii, to which \$32,900,000 in benefits was paid. The average payment per recipient was \$19.23, with the range of averages by states from \$4.95 to \$32.34, Mississippi and California representing the extremes. Obligations incurred for old-age assistance increased over July 1937 in thirty-six of the states, with the increase less than 15 per cent in twelve, but more than 25 per cent in sixteen. Florida, Maine, and South Dakota had increases of more than 200 per cent.

*

Chicago, which has long been seeking ways and means to finance a comprehensive subway system, and has accumulated nearly \$70,000,000 in traction funds for the purpose, was granted \$18,000,000 by the PWA on October 13, 1938, for the project. Total cost is estimated at \$40,000,000, and the city expects to finance its share of the cost by converting with local banks a part of the tax anticipation warrants with which the traction fund is loaded.

*

The recently created New Jersey Local Government Commission has just issued a new auditing manual for the use of registered municipal accountants auditing municipal books in the state. An innovation is the requirement that the accountants must make a spot check of municipal tax delinquency covering not less than 10 per cent of the number of taxpayers and amount of unpaid charges.

*

Oregon's one hundred dollars a month plan, which goes on the November ballot as the "Citizens' Retirement Annuity Bill," an initiative measure, provides for a 2 per cent gross transactions tax to be prorated among those over sixty-five who are not gainfully employed and have been citizens nine years and residents of the state continuously for seven years preceding application. Each payment must be spent in the month in which received, and any recipient who supports any able-bodied

adult, not a pensioner, in idleness will be guilty of a misdemeanor. The scheme largely follows the Townsend plan, and has as a companion piece on the ballot a measure instructing the Oregon legislature to petition Congress to call a constitutional convention to prepare a Townsend plan amendment to the federal constitution.

*

In California the electoral warfare over thirty dollars every Thursday ("ham and eggs for California" to its proponents, "scrambled eggs" to its opponents) grows hotter and hotter. Public employees groups, the Parent-Teachers organizations, merchants and trade associations and plain amateurs are attacking the proposal with everything from elementary economics to plain and fancy ridicule. Adherents are circulating—at twenty-five cents per copy—a beautifully printed colored brochure in behalf of the amendment; opponents are circulating brightly colored "scrip" which promises to pay off in wooden nickels.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

All Parties Repudiate Ban on P. R.—

Before this issue appears in print the people of New York State will have decided the fate of the constitutional convention's Amendment No. 7, which proposed to prohibit the use of proportional representation for any purpose in the state. As we go to press prospects for the amendment's defeat appear excellent. Not only the Republican party, more than two-thirds of whose delegates sought to repudiate the ban before the constitutional convention adjourned, but the Democratic party also officially refused to support it; and the minor parties, of course, were opposed.

The four recognized parties adopted the following planks in their state conventions:

Republican: "Although the convention expressed through Amendment No. 7 strong disapproval of voting by proportional representation, we feel that regardless of the merits of such system the amendment is contrary to the principles of home rule and we do not urge its support." This was the only one of the nine amendments submitted which the Republican platform did not approve.

Democratic: "While persons differ as to the merits of electing local officers by proportional representation, we believe that determination of the method of election is a matter of local concern. Our party has always taken the lead in extending the principle of home rule. Writing this amendment into the constitution would be a denial of that principle and we do not recommend its adoption."

American Labor: "This amendment seeks to nullify the advance made in government by the adoption of the proportional method of selecting legislators. Nothing more flagrantly political came from the constitutional convention. We strongly and unqualifiedly recommend its rejection."

Socialist: "This amendment would ban the use of proportional representation. For obvious reasons the Socialist party calls upon you to vote No on Amendment No. 7."

Major Candidates Also Oppose

The candidates for governor and lieutenant-governor on both major party tickets and other leading candidates were outspoken in their opposition to the amendment. Governor Lehman's statement to the constitutional convention on the subject was quoted in our issue for September. District Attorney Thomas E. Dewey, the Republican candidate for governor, said in a special statement on the amendments made public on October 10th:

Amendment No. 7 is highly objectionable. By a vast plurality, the voters of New York at an election less than two years ago decided to select their local legislators by a system of proportional representation. This amendment is a violation of the basic principles of home rule and of the right of a majority of the citizens of a municipality to make locally binding decisions for themselves. There has been widespread discussion of the merits of proportional representation, but I firmly believe that the people of every community have an inalienable right to experiment with and determine such matters. This proposal should be decisively beaten.

Nearly all newspaper comment was likewise hostile to the amendment and even such vigorous opponents of P. R. as the *New York Daily News* strongly opposed its prohibition by constitutional mandate. In the light of this chorus of repudiation the *Bronx Home News* referred to the amendment as "The Ban That Nobody Owns." Nevertheless,

powerful political groups, both in New York City and upstate, were working quietly for the amendment's adoption and the friends of P. R. and home rule knew they could not afford to rest on their oars.

A State-Wide Home Rule Committee

The State Committee for Home Rule on Proportional Representation, organized to help defeat the amendment, distributed a small leaflet with cartoons by Will B. Johnstone of the *New York World-Telegram* throughout the state and presented to the public an impressive array of representative citizens on its list of officers. Charles C. Burlingham, former president of the New York City Board of Education and of the New York City Bar Association, was its chairman. The vice-chairmen included:

A. A. Berle, Jr., assistant secretary of state of the United States, former city chamberlain of New York City, and professor of law at Columbia University; Judge William F. Bleakley of Yonkers, first vice-president of the constitutional convention; State Senator Thomas C. Desmond of Newburgh; George R. Fearon of Syracuse, former minority leader in the state senate and chairman of the committee on legislative powers at the constitutional convention; Dixon Ryan Fox, president of Union College, Schenectady; Frank Gannett of Rochester, president of the Gannett Newspapers; Sidney Hillman of New York, president of the Amalgamated Clothing Workers of America;

Thomas Holling, mayor of Buffalo; Charles E. Hughes, Jr., former solicitor general of the United States and member of the New York City Charter Revision Commission; State Senator Philip M. Kleinfeld of Brooklyn, a delegate to the constitutional convention; Mrs. Henry Goddard Leach of New York, former president of the New York State League of Women Voters and former member of state Commissions on Health, Administration of Justice, and Cost of Public Education, and a state Minimum Wage Board; George Z. Medalie of New York, former United States Attorney; Frank C. Moore of Kenmore, secretary of the State Association of Towns and chairman of the committee on villages at the constitutional convention; William Church Osborn of Garrison-on-Hudson, former chairman of the New York Citizens Budget Commission; Lithgow

Osborne of Auburn, state conservation commissioner and a delegate to the constitutional convention;

William Jay Schieffelin, chairman of the New York Citizens Union; Samuel Seabury of Easthampton, former judge of the Court of Appeals and counsel for the legislative investigation of New York City government in 1931 and 1932; Justice Charles B. Sears of Buffalo, presiding justice of the fourth judicial department and chairman of the judiciary committee at the constitutional convention; Mrs. F. Louis Slade of New York, former president of the New York State and City Leagues of Women Voters; Henry L. Stimson of New York, former United States secretary of state; and Thomas D. Thacher, former solicitor general of the United States and judge of the United States district court, chairman of the New York City Charter Revision Commission which submitted proportional representation to the voters of New York City when it was adopted in 1936.

The treasurer of the committee was Lincoln Cromwell, for many years a director of the New York Merchants Association. The secretary was George H. Hallett, Jr., Secretary of the New York Citizens Union.

The committee had a speakers' bureau under the supervision of William Exton, Jr., with headquarters at the New York City Club. The bureau was started last year by the Proportional Representation Joint Committee, representing New York civic organizations interested in informing the voters on the subject of "P. R.," and had a large corps of trained speakers.

Distribution of literature throughout the state was supervised by Mrs. Norman S. Goetz, assistant secretary, who was also assistant secretary of the New York City Charter Revision Commission. Headquarters were supplied by the New York Women's City Club.

Local committees to defeat Amendment No. 7 operated in coöperation with the state committee in New York City, Buffalo, Rochester, Schenectady, Yonkers, and New Rochelle.

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Other Referenda on P. R.—The outcome of the other election day referenda on P. R. issues will also have to wait for our next number to record. There were no less than

five of these referenda scheduled—in Yonkers and Schenectady, New York, and Cambridge, Northampton, and Quincy, Massachusetts. All of these involved joint adoption of P. R. and the city manager plan except the one in Schenectady, where the manager plan is in force already. The Cambridge campaign has been widely publicized because of the comic war it provoked between the Cambridge city council, hostile to the change, and Harvard University, which supplied some of the plan's active proponents.

*

Annual P. R. Meeting—The annual meeting of the Proportional Representation League, Inc., now operating as a department of the National Municipal League, will be held as usual this year as part of the program of the annual conference on government held by the National Municipal League. The meetings this year will be in Baltimore, at the Lord Baltimore Hotel, Thursday to Saturday, December 1st to 3rd.

Saturday morning's session will be devoted to reports on a phenomenal number of P. R. campaigns conducted during the year—the six mentioned above, the attempt to secure P. R. for the New York legislature, the campaign now in progress in Philadelphia, the passage of optional "Plan E" (the city manager plan and P. R. in combination) by the Massachusetts legislature, and the successful defense of P. R. in Wheeling. A very short business meeting and election of P. R. League trustees will be part of the morning program.

The Saturday luncheon will also be devoted to P. R. Hon. Newbold Morris, president of the New York City Council, will speak on P. R. in New York City.

*

New York Courts Give Council to Democrats.—On October 18th the New York Court of Appeals, the highest court in the state, held that John Cashmore of Brooklyn, leader of the organization Democrats in the New York City council, had been legally elected vice-chairman of the council for a full two-year term at the council's first meeting last January. The decision upheld the appellate division without opinion.

The P. R. election last fall divided the council evenly, thirteen to thirteen, between the organization Democrats and the forces of Fusion (Republicans, American Labor party,

and independents), with President Newbold Morris, a Republican separately elected on the Fusion ticket, holding the balance of power in case of a tie vote. At the first meeting, however, one of the Labor members was absent on a wedding trip to Ireland and the Democratic half of the council, taking advantage of an ambiguity in the wording of the charter, proceeded to effect what they claimed was a permanent organization of the council by a vote of thirteen to twelve. When the absent Labor member returned, the Fusion delegation declared the vice-chairmanship vacant and "elected" James J. Burke, independent Democrat from Queens, in Mr. Cashmore's place, giving him thirteen votes to a smaller number for his nearest rival. The dispute as to whether less than a majority of the council could elect and, if so, whether the council could subsequently change its action, was taken to the courts and a final verdict has just been reached.

The delay over problems of organization and the Democratic organization's control of the committees, also effected at the first meeting, has prevented the Fusion group from carrying through most of its plans for legislative action. Meanwhile most of the council's important decisions have been taken by votes which did not follow the original thirteen to thirteen division, some of the members on each side voting frequently with a majority of the other. Under the circumstances the Fusion forces seem content to allow the Democrats to assume general responsibility for this term's record and Councilman B. Charney Vladeck, who was designated majority leader in January by a document signed by thirteen Fusion councilmen and President Morris, recently resigned his title voluntarily to Councilman Cashmore.

With all these developments, however, the council is a refreshing contrast to the rubber-stamp Board of Aldermen which preceded it, made up of sixty-two organization Democrats and three Republicans. For the first time within recent memory there is no steam roller in operation. Each important issue that comes to the floor is well analyzed in debate and decided by a vote that is not a mere response to party orders. The sessions are broadcast regularly over the city radio station, WNYC, and a recent hint at discontinuance brought a heavy fan mail protest.

The council's chief actual accomplishments are the passage of a special tax program needed to support the city's relief load without borrowing—a program presented by Mayor LaGuardia and slightly modified by council—and enactment of a small occupancy tax on business premises to meet the interest on otherwise self-supporting public housing developments. No measures considered seriously objectionable by civic groups have been passed by the new council.

"The principle of proportional representation is not one whit weakened by what has taken place," said the *New York Times* editorially on October 21st. "Certainly no one would libel the controlling group in the council by comparing them with the old Board of Aldermen."

"P. R. Made Easy in One Lesson".—The *New York Sun* of September 23rd carried under this heading the following news item:

"Proportional representation lost some of its mystery yesterday morning when seventh and eighth grade pupils at Chelsea School (P. S. 33, Manhattan) attacked it courageously and 'acted it out,' just as they would the story of Cinderella or Little Red Riding Hood. For the third time in this school . . . election of members to the student council was held by this method.

"We instituted this as part of the school's activities after proportional representation was adopted for New York City," Miss Ruth Gillette Hardy, principal of the school, explained.

"Nearly two hundred girls were on hand in the assembly room to vote. Their seven candidates were asked to take positions in prominent places so that they would not be mere names on a scrap of paper or on the blackboard. Efforts were made to have the lesson as concrete as possible. When voting, the students were asked to rally around the candidate of their choice, encircling her until the count was taken. There was no complicated sorting of ballots, as on the occasion when New York selected its council.

"The pupil receiving the smallest number of votes withdrew, and the votes were reapportioned among the remaining candidates, as designated. This was kept up until the desired number of council members, in this

case three, were elected. The winners were Mabel Carbasi, Mary Biasi and Rose Routenberg.

"Remember, these are your representatives," Miss Hardy told the group after the election. 'Make your suggestions regarding the school to them, and at least find out afterward what has become of those suggestions.'

"She added that the experience was important in the political education of pupils, serving to give them 'a taste of reality.'"

A P. R. Week-End School in England.—

From Friday evening, September 30th, to Monday morning, October 3rd, a week-end school on P. R. was conducted at the Regal Hotel, Cleveleys, near Blackpool, England. The veteran secretaries of the British P. R. Society, who are looked to for advice and guidance by proportionalists the world over, alternated in conducting the lectures.

Mr. John H. Humphreys, who is pleasantly remembered by a large number of Americans and Canadians who met and heard him on his visit at the time of the first P. R. election in New York City last year, conducted the three evening sessions. He discussed the nineteen years of P. R. in Ireland, P. R. in New York, the breakdown of parliaments in Germany and Italy, twenty years of party list systems of P. R. in the Scandinavian nations and other stable countries of western Europe, the problems of mixed races, the formation of popular and national fronts as a result of defective election methods, the influence of election methods on the making of history, and the prospects of P. R. in Great Britain.

Mr. A. J. Gray, his associate, conducted sessions on Saturday and Sunday morning at which the various majority systems of election were compared, current objections to P. R. were discussed, and every student was given an opportunity after a demonstration to count the votes in a P. R. election.

The afternoons were left free for recreation and informal discussion.

At the close of the school Mr. Humphreys sent the following message on its behalf to American workers for P. R.:

Although all our minds are full of the international situation, we do not forget the great constructive work for democracy that our colleagues in America are pressing.

At the week-end school which we have just held, unanimously and cordially I was asked to send to our P. R. fellow workers a message expressing our deep

appreciation of the fight that they are maintaining and wishing for them an outstanding success on the 8th November next.

CINCINNATI'S REGIONAL DEPARTMENT

(Continued from Page 535)

eral years. Sound development in the future will depend upon careful and thorough-going research into the nature of business changes and occupational opportunities. It is to this end that the department is devoting itself and upon which such progress as it has made rests.

LOBBY-CONTROL LAW

(Continued from Page 544)

need for regulation. Finally, the mere requirement of registration of name and agents together with a more or less meaningless description of purpose scarcely constitutes effective regulation.

HAROLD ZINK

DePauw University

City Manager Reports by "Movie"

For the investment of \$104.50, the city of Sewickley, Pennsylvania (population 5,599) has installed equipment for a completely novel system of "monthly reports" by the city manager to the town council.

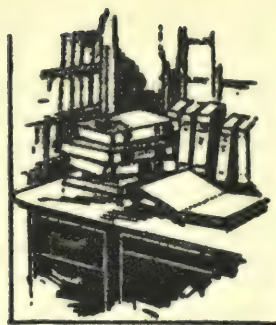
This sum included \$29 for a used 16-mm. movie camera (original cost \$89), \$57.50 for a slightly used projector, and \$18 for a roll screen and tripod. The only additional cost is \$4.05 per hundred feet of film, which includes development.

This equipment was bought with the understanding that one or more films would be shown monthly by the city manager. In the first three months he took five hundred feet of film which: (1) gave the council a vivid idea of thirty old houses which were ordered repaired or demolished; (2) presented a zoning problem so cogently that it was disposed of at a single meeting; (3) showed the council exactly how a complicated "underground movement" had occurred in a concrete platform at the garbage disposal plant; (4) demonstrated visually the actual operation of sewage disposal plants in several other towns, thus eliminating the necessity of inspection trips.

In addition to these accomplishments, one reel was devoted to picturing Sewickley's garbage collection and disposal system in operation; another reel was devoted to the waterworks, and a third reel showed construction and repair operations on city streets and sidewalks.

The council is reported well pleased with the experiment, and now plans to make the reels available to schools and civic organizations in a campaign to educate the public in municipal affairs.—*Editorial Research Reports.*

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

The Reorganization of State Governments in the United States. By A. E. Buck. New York City, Columbia University Press (for the National Municipal League), 1938. viii, 299 pp. \$2.50 clothbound; \$1.00 paperbound in quantities of ten or more.

For many years the basic assumptions of the reorganization movement were accepted almost universally and without question. Recently, students of state government have recognized the need for a critical analysis of the results of the operation of the plan after twenty years; such students, who have in the past relied upon Mr. Buck's earlier studies of administrative reorganization, will be indebted to him anew for this comprehensive and up-to-date treatment of the subject. The book is divided into two parts, followed by an extensive bibliography.

Part I contains an excellent resumé of the state reorganization movement in forty pages, emphasizing history, standards, types and results, and with a reference to the relation of the National Municipal League's Model State Constitution to the movement. Part II presents for each of the forty-eight states a summary, condensed into a few pages for each state, of the reorganization plans that have been adopted, and of proposals for reorganization that have been submitted. The maps and charts include a map of the United States showing the states that have adopted reorganization plans and organization charts for Illinois, New York, and Tennessee.

The summaries in Part II will make the volume an invaluable reference work for those who want to know what has happened in a particular state. All important surveys in individual states are cited, the names of governors and legislators connected with each attempt at reorganization are mentioned, with

dates in each case, along with the analytical and interpretative comments of the author. These sketches, with their insight into politics and administration, not only make interesting reading but they stand the test of careful scrutiny when one examines in detail the descriptions for those states with which he is most familiar.

An extensive bibliography is divided into two parts, general references and references classified by states, including for each state, surveys, reports, and pertinent articles. This list alone would have been a valuable aid to students of state government.

As the attempt at evaluation of the reorganization movement proceeds and certain defects are pointed out, it may be well to emphasize the difficulties under which it has progressed thus far. In many states the provisions of outmoded constitutions prevent any really effective application of the principles of reorganization. While three states—Massachusetts, New York, and Virginia—have reorganized constitutionally, some twenty-three others have tried to do the best they could by statutory provisions. Under such circumstances one might argue that there are few states, indeed, in which the principles of reorganization have actually been tried. Where there are no constitutional limits to prevent, as there are in New York, a reorganization once adopted is soon impaired by the addition of new agencies, independent and quite without reference to the original plan. There are, of course, conflicts between the practical and theoretical aspects of the whole problem. It is one of the merits of this book that it points out not only what has been done, but what the problems are that lie ahead.

There is no doubt but that effective fiscal control has been aided by the centralization

of responsibility in the hands of the executive, but the fact that budget systems exist in all the states would seem to indicate that reorganization is not indispensable to reasonably effective budgetary control. Reorganization has made possible substantial savings through a more effective expenditure of public funds, but these have usually been absorbed by demands for new services and extensions of existing services. The advancement of the short ballot principle was an important objective of the adoption of the early administrative codes, yet due to the difficulty in eliminating constitutional departments, and the huge number of local officers chosen by popular election, the ballot in most states has actually been reduced in size very little. These very local officers oppose every attempt to secure adequate powers for state agencies when they conflict in any way with a local government tradition developed in an earlier and totally different civilization.

It was assumed that the quality of the performance of the state governments would be raised if the structure of the executive department was improved. In some measure such improvement has resulted, for administration is a very important phase of government, but in governments organized as are those of the states, with three separate branches, something more is required. The gradual comprehension of this fact has led to experimentation with legislative councils and unicameral legislatures, and with judicial councils, in an effort to secure comparable improvements in the other two branches of government.

The solution of these problems is complicated by the difficulty of making practical use of the amending provisions of many of the state constitutions, by the difficulty of getting a convention that will do a really good job of constitutional revision, and by the difficulty of getting the people to approve the recommended revision, if one is offered. The reorganization movement has made a real contribution to state government, and it cannot properly be blamed for the existence of any of these problems. Even so, it is apparent that there is need for a broad-view, long-range, and continuing attack on the whole subject of state governmental organization. To all of those, both in public life and in the academic field, who are interested

in the possible solution of these problems, Mr. Buck, whose wide experience and firm belief in the soundness of the reorganization principle are well known, has rendered a signal service in making available such a complete and scholarly compilation of essential information. Even more than in the case of his preceding studies, which this largely supersedes, this study should continue for some time to be the "standard title" on the subject of state administrative reorganization.

W. BROOKE GRAVES

Temple University, Philadelphia

*

Police Communication Systems. By V. A. Leonard. Berkeley, California, University of California Press, 1938. xvi, 589 pp. \$5.00.

To any police officer who has been on the force for more than ten years, there is something rather amusing about the way 1939 recruits accept as a matter of course extensive police communication systems that were unheard of in 1927. There is the radio or teletype system within an individual police department, county-wide and regional networks, state-wide hook-ups installed by the state police, and interstate radio and teletype blockade systems. There is one-way radio, two-way radio, and what is sometimes called three-way radio. There is teletype and, just arriving, radiotype—a typewriter operated by radio.

All of these kinds of police communication are reviewed by Mr. Leonard, who is superintendent of the Bureau of Identification in the Fort Worth police department. He begins by tracing the development of police communication from elementary telegraph on through the police box system, telephone communication, recall devices, teletype, and radio. Extensive consideration is given to the type of telephone equipment needed by the modern police department, the proper methods of equipping the police beat with communication devices, the uses and organization of burglar and hold-up alarms, and to the minimum technical requirements of a police radio system. Special attention is devoted to the selection of communications personnel, to forms for recording criminal information, to foreign communications systems, and to requirements during disasters.

First really systematic treatment of the subject, the book falls far short of the mark

in one all-important respect. It fails to place adequate emphasis on police communication in its relation to police work as a whole, and particularly as the beginning of and the key to the police records system. Upon the proper coördination of the communications and records systems depends the original investigation of a complaint, proper follow-up, and the dependability of annual records. Beginning with the work of the Committee on Uniform Crime Records of the International Association of Chiefs of Police, the absolute necessity of proper coördination has been demonstrated time and again in surveys of police department organization. In Chicago, for example, reorganization of the communications system and its close integration with the records system raised the percentage of offenses reported to the central records bureau from 44 per cent in 1930 to 97 per cent in 1933.

So vital a relationship as this requires major consideration. Furthermore, it raises two related questions—namely, how should the communications division itself be organized, and what is its proper place in the organization structure of the whole department? Strong arguments can be cited for placing the communications unit under the patrol division, but an excellent case can also be made for putting it in the records division. An examination of the practices of American police departments in this matter and of the results would be very helpful to the literature on police communication. Indeed, it is certainly to be hoped that Mr. Leonard's book will stimulate other police communication experts to write about the many aspects of this field in order that the extraordinary progress of the last ten years may continue.

ARNOLD MILES

American Municipal Association

*

The Case for Electoral Reform. By S. R. Daniels. London, George Allen & Unwin, Ltd., 1938. 128 pp. 3/6 net.

This is a very readable little book, finished just before his recent death by S. R. Daniels, former judge of the high court of judicature at Allahabad. It fills admirably the need for a popular up-to-date discussion of proportional representation for the British public and could be owned to advantage also by every careful student of the subject in the

United States. Many parts of it are just as quotable here as abroad.

From the American point of view the most valuable part of the work is its masterly demolition of the fable that P. R. was responsible for Hitler in Germany and in general tends to unstable government. After devoting one chapter to the "Alleged Failure of P. R. in Germany," the author takes a birds-eye view of the successful use of proportional systems in Belgium, Holland, Denmark, Norway, Sweden, Finland, Switzerland, Czechoslovakia, and Ireland.

One chapter is devoted to a description of an actual P. R. count for members of the Dail Eireann which the author witnessed in Cork, Ireland, in 1933. The rules used were somewhat more complicated than those for P. R. elections in the United States, yet the description flows along smoothly enough.

The chief emphasis of the book is on the urgent need of P. R. for national elections to strengthen democracy in its hour of trial. The keynote for this approach is sounded by Lord Hugh Cecil in a foreword. There is one chapter, however, on "P. R. in Local Elections," containing brief but adequate reference to the experience of Cleveland and Cincinnati and the adoption of P. R. in New York.

The book is a model of conciseness. Its chapters average only eight small pages each and carry the reader forward so easily that, more likely than not, he will cover its pages in one short sitting.

G. H. H., JR.

*

Merit System Advancing. New York City, Municipal Civil Service Commission, 54th annual report for year 1937. 96 pp.

Man bites dog is inside page stuff compared with the implications of the latest report of New York City's Civil Service Commission. The second largest public employer in the United States (only the federal government surpasses) and formerly one of the most notorious, is apparently approaching textbook idealism in its methods of hiring, firing, and keeping well employed the 107,000 who comprise the appointive and competitive members of its civil service. The report is attractively put together, well illustrated with graphic charts and meaningful pictures, and satisfyingly leavened with intelligence and literacy. The claim is that except for low

paid, non-competitive positions the classified personnel of the New York City government is 99.44 per cent non-political. Astounding, if true, and after reading through this highly interesting one-hundred-page report one is ready to give the commission the benefit of the doubt.

M. R.

*

Public Relief Administration in Los Angeles County. By George W. Bemis. Los Angeles, Bureau of Governmental Research, University of California at Los Angeles (Studies in Local Government No. 1), 1938. 109 pp. mimeo.

This study includes an examination of the pattern of governmental organization which has been developed in Los Angeles County to meet the problems of public relief administration.

*

Unemployment Assistance in Liverpool. Liverpool, University Press, 1938. 64 pp. 2/6.

A discussion of the coöperation, on Liverpool's unemployment problem, between the Unemployment Assistance Board, the Local Authority, and voluntary associations in that city.

*

1937 Yearbook, Park and Recreation Progress. Issued by United States Department of the Interior, National Park Service. Washington, D. C., Superintendent of Documents, 1938. vii, 55 pp. 35 cents.

A report of the progress made throughout the country during the year ended September 30, 1937, in the park and recreation movement, well illustrated with attractive photographs.

*

Public Assistance and Relief Bonds in Kansas (with supplement). Topeka, Kansas, Legislative Council, Research Department, Publications Nos. 69 and 74, 17 and 3 pp. respectively, mimeo.

A report prepared by the Kansas Legislative Council to give the legislature a composite picture of the relief bonds which have been issued in Kansas since they were first authorized in March 1933.

Chicago Recreation Survey. (Vol. I, Public Recreation; Vol. II, Commercial Recreation.) By Arthur J. Todd in collaboration with William F. Byron and Howard L. Vierow. Chicago, 1937 and 1938. xiv, 268 pp. and x, 167 pp. respectively. \$1.00 each, plus postage. (Apply to Municipal Reference Library, Room 1005 City Hall, Chicago.)

These volumes represent the first two of a series of five covering a comprehensive survey of recreation in Chicago. They are well illustrated with graphic charts and maps. Volume I gives full factual information on the city's various public recreation systems and the museums and libraries; Volume II deals with moving pictures, theatres, the opera, etc., the various commercial sports, excursions, conventions, dancing, etc., and briefly with liquor establishments and commercialized vice. According to this volume, between \$700,000,000 and \$1,000,000,000 is invested in commercial recreation in the city of Chicago. The average annual per capita expenditure amounts to \$80.

*

Index of Research Projects. Vol. 1. Washington, D. C., Works Progress Administration, 1938. vi, 291 pp.

The results of some two thousand research projects in the natural and social sciences, which were carried on as part of the federal work relief program, are summarized briefly in this digest and index.

*

The G. R. A. Directory, 1938-39. Chicago, Governmental Research Association, 1938. 42 pp. \$1.00.

This directory contains lists of agencies in the United States, Canada, and certain other countries which are engaged in governmental research. Six sections comprise the volume—local agencies, state agencies, national agencies, foreign and international agencies, other members of the Governmental Research Association, and an index containing an alphabetical list of all persons listed in the earlier divisions. National organizations are divided according to the subjects in which they are interested.

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New Municipal Finance Provisions for New York's Constitution

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The League's Business

A. Leo. Weil.—The League regrets to report the death of A. Leo. Weil, one of its honorary vice presidents, on September 17th. Mr. Weil has been identified with the League's work for many years and his strong support will be greatly missed. He became a member of its executive committee in 1911 and one of its honorary vice presidents in 1924. He had long been interested in the cause of good government in his own city of Pittsburgh. He was president of the Voters League of that city—which had to its credit a series of graft disclosures and convictions and which secured a change in the charter of Pittsburgh reducing its unwieldy council of many members to a body of nine—from 1905 to 1911. Mr. Weil was also a member of the American Bar Association, the National Civil Service Reform League, and other organizations of a civic nature.

Officers of the League Elected.—The annual meetings of the National Municipal League and of its council were held on Wednesday evening, November 30th, at the Lord Baltimore Hotel, Baltimore, in connection with the forty-fourth annual National Conference on Government.

At the meeting of the council the nominating committee for new League officers presented a suggestion made by one of its members that no member of the council should succeed himself. The council voted unanimously to adopt this policy—which does not prevent a member of the council from being re-elected after the lapse of one year.

The officers chosen at the League's annual meeting are as follows (those in italics being elected for the first time): president, Clarence A. Dykstra, president of the University of Wisconsin; vice presidents: *Henry L. Shattuck* of Boston and Miss Marguerite M. Wells, president of the National League of Women Voters; treasurer, Carl H. Pforzheimer; honorary secretary, Clinton Rogers Woodruff; honorary vice president, Charles A. Beard, Henry Bruere, Horace L. Brittain, Charles O. Burlingham, Harry Woodburn Chase, Frederic A. Delano, John N. Edy, Samuel S. Fels, Mayo Fesler, Russell Forbes, A. R. Hatton, Frank O. Lowden, *Seabury C. Mastick*, Charles E. Merriam, William B. Munro, Frank L. Polk, Lawson Purdy, Chester H. Rowell, Murray Seasongood, Miss Belle Sherwin, Mrs. F. Louis Slade, Lent D. Upson, and *Richard Welling*.

The ten newly-elected members of the council, chosen for a three-year term, include: J. W. Esterline, Mrs. Walter S. Greenough, Allen H. Seed, Jr., Paul Kern, Norman MacDonald, Carl P. Herbert, Sidney B. Dexter, S. V. Norton, H. Barry McCormick, and George Fort Milton.

Carl H. Pforzheimer was chairman of the nominating committee; other members are Carter W. Atkins, Frederick L. Bird, John S. Linen, and Clarence E. Ridley. The ancillary committee appointed by President Dykstra at the meeting because of the absence of the members of the regular committee included Morris B. Lambie, chairman, William P. Lovett, and Allen H. Seed, Jr.

Subjects for 1939 Baldwin Prize Essay Contest Announced.—The National Municipal League has announced the following subjects for the 1939 Baldwin prize essay contest:

1. Population Trends and Changing Land Values as They Affect Planning in (any given city, county, region)
2. The Problems and Consequences Resulting from Federal Aid to Normal City Functions.
3. The Problem of Developing and Sustaining Effective Citizen Organization in (any given city or county)
4. Automobile Trailers—The Problems They Bring to the City.
5. The Effect of Tax Limitation Laws upon Local Government in (any given state, city, or county)
6. The Reorganization of County Government in (any given state)
7. Optional vs. Mandatory Legislation as a Means of Improving Local Government
8. The Problem of Overlapping Governments in (any given state or metropolitan area)
9. The Operation of the City Manager Plan in Small Cities
10. The Operation of the Manager Plan in (any given city or county)
11. The Operation of Centralized Purchasing in (any given city, county, or state government)
12. The Appointment of City Managers for a Definite Term (Most managers serve at the pleasure of the city council—would a definite term be more desirable?)
13. The Effect of the Depression on Local Government in (a particular area)
14. Nonpartisan Elections in American Local Government

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National Municipal Review

Editorial Comment

In Yonkers, Victory and Promise

THE voters of Yonkers, a community of 135,000 adjoining New York City, went to the polls on November 8th and adopted the council-manager plan. At the same time they determined to elect their new nine-man council by proportional representation.

For several reasons it was a remarkable victory, this adoption of a plan which political scientists consider ideal for cities from the standpoint of both maintenance of democratic control and efficiency of administration.

Twice within the past two years the proponents of the manager plan have been beaten in Yonkers, so presumably they didn't know how to win. Their opponents, on the other hand, were well versed in the intricacies of waging political campaigns and had a tradition of winning them.

The City Manager League had only about \$2500 for a war chest and, due to some internal dissension, lacked the support of many community leaders who normally would be found within the ranks of those fighting for good government. For arguments they had "only" principles—supposedly not exactly effective ammunition with which to penetrate chronic mass indifference.

These seemingly ineffective forces faced the united opposition of three well organized political parties, practically all public employees (who, as usual, had been terrorized by specious warnings that there would be wholesale dismissals), and a reputed campaign fund

which dwarfed the league's.

Added to these considerations were the fantastic "issues" raised by the politicians who, naturally enough, had no wish to relinquish their long-standing control. "Do you want your schools to be closed as they were in Dayton, a manager city?" they asked. The fact that this cry was wholly false as a manager plan issue because school districts in Ohio are not controlled by city administrations didn't bother them. "A city manager will deny your church property tax exemption!" they warned in handbills distributed to people leaving services the Sunday before election. They knew, of course, that state, not city, law provided exemption of church property.

These are but samples of the false claims made and the attempts to arouse religious and special-interest group fears. The same tactics were used in other cities in which the council-manager plan was an issue, despite the fact that the quarter-century-old manager plan has left its mark of sane, logical progress in nearly five hundred city halls to be judged by anyone interested in facts.

The Yonkers victory is significant in that it proves again that a small group of energetic people, adhering to principle and courageous enough to face apparently hopeless odds, *can win if they work hard enough*. Even more significant is the promise it provides that the manager plan, temporarily

slowed up during the depression years, is again on the march!

The bankruptcy of logical argument against the plan, this new proof that the average voter is capable of distinguishing truth from falsehood, and the

encouraging sign that political amateurs who have only civic decency to offer as a reward *can* beat the spoilsmen again, all are good omens which will have their effect in many parts of the country.

Half a League Onward

THE National Municipal League ordinarily hesitates to toot its own horn. Dedicated to non-profit ideals for itself and good government for others, it prefers instead to sound the clarion for ideas, rather than for itself as a proponent of ideas.

Nevertheless, we feel justified now in doing a little pointing with pride. A conference on government has just drawn to a close, the forty-fourth of its kind to be held by the National Municipal League. Of it, the usual things might be said regarding "exchange of ideas by experts," "intellectual feast for local people," "inspiration and challenge." It is true that the conference on government is an institution unique in that it represents the cream of wisdom and knowledge and experience drawn together for the exchange and formulation of more knowledge and wisdom relating to the local democratic process. That is important, of course. But the very fact that the conference on government is forty-four years old might give pause to a worrier over current affairs. Is the League repeating the same truths year in and year out? Does it keep solving the same problems ad infinitum? Is it, in short, a modern institution pulsing with the affairs of today, or is it an aggregation of those who made their reputation years ago and have been living on it ever since?

The record of the proceedings of the conference on government does much

to answer that question. Many were the forward-looking problems discussed at group sessions. These were valuable as any contribution to modern government is valuable. But perhaps the most impressive feature of the meeting was its new and alarmed, albeit thoughtful, emphasis on the preservation of democracy through public opinion.

The economic interpretation of politics notwithstanding, it cannot be denied that European dictatorships stand today on a foundation of enslaved public opinion. Gag rule prevails, and it has meant the extinguishment of all those truly democratic governmental manifestations for which our conferences on government work. Is it not then time to give serious attention to the preservation of free and informed public opinion here?

A round table session on public opinion and government with participants who are leaders in the press, the movies, the radio, and education, a banquet at which the principal speakers made concrete suggestions looking toward teaching principles of democracy, a movie session which illustrated the making of public opinion in one of our newest publicity and entertainment media: all these showed that the conference on government is more than ever a force with implications not only for the past of municipal government but also for its future.

Planning a Winning Campaign

By LESTER A. BLUMNER

Managing Editor, THE ADVERTISER

Opponents had said, "They can't win!" But they did win! Advertising and public relations expert, who was called from his managing editor's desk to direct the campaign for city management in Yonkers, New York, tells how it was done.

THIS was to be the fourth and last attempt to put over a city manager plan in Yonkers! Before the campaign was two weeks old, fully half of the handful of ward leaders and workers for the City Manager League took the campaign director aside and gravely told him that this would be their last campaign for a decent, efficient government in Yonkers.

The first attempt in 1925 had been soundly defeated, 9,279 to 5,603. Eleven years passed. In 1936 a second effort was beaten by 17,678 to 13,172. The following year, after bitter court battles, the city manager proposition again appeared on the ballot. This time the margin was reduced to 19,312 to 17,639. A hopeful sign!

A careful appraisal of prospects for the 1938 election, however, gave the picture a more somber hue.

Pierce Fredericks, the league's able volunteer statistician, shrewdly estimated the opposition's voting strength at 21,000 and reminded league members that at best only 60 per cent of the voters had actually voted on the city manager proposition in the last two elections when presidential and mayoral campaigns had brought out large blocs of Yonkers' normally "sleeping vote." Compared with a mayoral or a presidential election, a gubernatorial

election is a third rate political attraction in Yonkers. The last one had brought out only 48,447 voters in 1934.

Even with a sharp increase in registration over the last gubernatorial year and an equal increase in the percentage of voters who actually voted on the proposition, the referendum faced defeat!

For this year the powerful incumbent Democratic organization, eager to crush the city manager movement once and for all, was determined to get out every opposition vote! Its quiet, undercover opposition of previous years gave way to a bitter, public declaration of war. A little pressure brought its political ally, the American Labor Party, into line with an almost equally vehement opposition.

The Republican organization took no such official stand, but GOP ward and district leaders who enjoyed satisfactory, if questionable, business and political relations with the administration Democrats, swung most of the organization into line against the referendum. Police and firemen who fought the proposition in the past received new, open support from the school teachers' organization. The city's two tabloid newspapers in headlines usually reserved for war blared out a campaign of lies and libel against the proposition.

To make matters worse, local businessmen, thoroughly intimidated by the city employees and the administration, dared not come out openly for the proposition. This left the sponsorship and support of the campaign in the hands of the "commuter" residents of the city, and damned it with the usually fatal political curse of being known as a "white collar" movement. Finally, only \$2,500 was raised to bolster the efforts of the small body of workers in the city manager organization, in

contrast to the \$25,000 or more to be spent by the opposition with its smoothly functioning, powerful vote-getting organization.

This was the picture six weeks before election.

Lacking a substantial war chest, the campaign director naturally turned to the building of an organization, enlisting workers to do the job for which dollars were not available.

Night after night, sandwiching the task between the necessary campaign conferences and routine, he accompanied the ward leaders through their districts, calling on signers of the referendum petition in the hope of enrolling them as workers.

VOLUNTEERS SECURED

Ward leaders who had been having difficulty in getting district leaders and workers were given a new technique for approaching their prospective helpers. Instead of spending a half-hour in polite conversation, leading apologetically to the subject of city managership, only to be turned down by the prospective worker, the ward leaders were urged to handle the interview in the following simple, direct vein:

"Mr. Soandso, you know that Yonkers needs lower taxes and decent, efficient government. And you know that a city manager form of government will accomplish just that. Can we count on you to help us in the fight for city manager?"

The simple approach more than doubled the ratio of "yes" answers. Those who refused usually were willing to donate as much as \$10 when they were asked to contribute "postage stamps," "stationery," "part of an advertisement," or "half a week's wages for a stenographer."

The new workers were promptly assigned to distributing literature, enlisting other new workers, and getting

neighbors whom they knew to be friendly to city managership to register and vote for the proposition. The ward organizations grew in a loose, informal way, supplemented by the equally fast-growing group of women throughout the city who were inspired by the galvanic "Wake Up Yonkers" meetings led by Mrs. H. T. Welty, the able, alert spark plug of the movement.

By election day the number of volunteer workers had grown to such an extent that 350 volunteer watchers were sent to the polls. Another 120 workers had telephoned every home in Yonkers, urging voters to vote "yes" on the proposition. Dozens more distributed literature and sample ballots just before and on election day.

With the ward organizations under way, the campaign director set about to accomplish (a) getting out the vote and (b) getting the citizens to vote on the question.

REGISTERING THE VOTERS

As the first part of a dual effort to get out the vote, the registration work was carefully planned and highly selective. With the valuable statistics of Mr. Fredericks as a guide, the work was concentrated in the pro-manager districts, with only appeals to individual petition signers and known city manager supporters in the districts that had been lost in previous elections. A third newspaper in the city, going to the better homes, was induced to use brief, bold face registration reminders in its editorial and news columns, and a registration advertisement was used in that paper, offering the service of the league in telling citizens when and where to register.

A direct mail appeal insured the full registration of city manager sympathizers and signers of the referendum petition. Naturally, the campaign director made no effort to deny the general

opinion that banner registrations would be brought out in the opposition strongholds. This belief spurred on the city manager workers and may have contributed to the opposition's feeling of security.

At the close of registration, these tactics had led to a registration of 62,204, or 14,000 more than the last gubernatorial election. The close fight between Dewey and Lehman contributed substantially to this turnout, of course.

The effect of the carefully planned registration work showed in the following figures: twenty-seven pro-city manager districts gained 1,821 in registration over 1937; nine pro-city manager districts lost 220 in registration; fourteen anti-city manager districts gained 320 in registration; thirty-four anti-city manager districts lost 1,233 in registration; one anti-city manager district neither gained nor lost.

In other words the pro-city manager districts gained sixteen hundred in registration. The anti-city manager districts lost nine hundred. Our carefully planned efforts were bearing fruit.

GETTING OUT THE VOTE

The campaign swung to the second objective—getting people to vote on the question. It was vital that the 60 per cent who voted on the question be increased if the referendum was to win, for with every one of the opposition's estimated 21,000 sure to vote "no," a mere handful of additional "no" votes cast by the chronic opponents of all state amendments and city propositions would defeat the proposition.

Modest daily and weekly newspaper advertising, citing the benefits of city managership in other cities, was used. On election eve, an ad cautioning citizens to watch for election frauds and asking them to notify the league of

violations appeared in the paper. Combined with news stories of an appeal to the governor for an honest election, of the revelation of registration frauds, and league-inspired attacks by pastors on the opposition for a particularly scurrilous attempt to get votes, it is believed to have crystallized any wavering voters in the better sections of the city for the city manager plan. The success in turning the tables on the opposition's attempt to inject a church issue was particularly effective.

All through the campaign publicity and advertising were closely linked in the campaign director's plans. To advertising in the local paper was assigned the task of showing the desirability of a city manager government. Publicity, in the form of news stories, showed the undesirability of the existing form of government.

Invaluable publicity gained through the newspaper's accounts of Mrs. Welty's "Wake Up Yonkers" meetings served to make up for the loss caused by the lack of money for mass meetings and an adequate number of sectional meetings.

Following the local newspaper advertising in cost was a shrewdly planned tabloid-size circular, carefully laid out to preserve the interest-holding typographical features of a tabloid paper. This was distributed to every home in the city.

FOREIGN GROUPS REACHED

Careful thought was given the campaign in the foreign language districts, for it was the foreign language citizens who had voted most solidly against city manager in the past. Spot radio announcements in Italian from a New York Italian language station, Italian and Polish newspaper advertising and publicity, sound trucks with records made by a high pressure radio an-

nouncer in Italian and Polish, foreign language circulars and direct mail, costing in all about \$200, resulted in startling gains on election day.

All the foreign language advertising and publicity, simple, direct, hammering away at the city's relief voucher system and capitalizing the loss of industries employing Poles, Hungarians, and Russians, as well as the drop in building construction affecting Italian carpenters, masons, etc., resulted in a net increase of 100 per cent in those districts on election day. Naturally, the foreign language advertising differed widely from the English, and even more widely among the various nationalities.

Although relief naturally was featured in all foreign language advertising and publicity, the theme of "no one knows how you vote" was featured even more prominently in the appeals to foreign language and native negro voters. The extraordinary prominence given this theme meant that many votes bought by the opposition were never delivered on election day, it is believed. Until this campaign, many of these voters actually believed that they had to vote as they were told because the election inspectors and party watchers could tell how they voted by the "click" of the machine, a belief encouraged by the party organizations.

Direct mail to wealthy homeowners, special literature for apartment house

tenants, a last minute city-wide telephone campaign conducted by volunteers, prominent but inexpensive street banners, and an ingeniously effective piece for the merchants of the city were other vote-getters. Distributed personally to the two thousand merchants, this latter piece made a profound impression upon them and is given considerable credit for the support that this group gave the proposition on election day. More than that, a group of volunteer women workers, calling upon the merchants, received enough in contributions to cover the cost of the piece and leave a modest balance for the campaign treasury.

With his advertising and sales promotion experience, the campaign director prosaically enough had planned the campaign much as he would a major sales campaign. And like a sales manager, he had built his strong districts into stronger districts, knowing that the weaker sections would follow. They did.

And with a remarkably coöperative, sincere group of league officers, leaders, and members making up in willingness and ability what they lacked in experience, aiding him in executing policies, it was easy to measure progress in the campaign. On November 6th, he was able to estimate a "majority of 3,200 which would be reduced by as much as 300 or 400 in case of rain." It rained. The majority was 2,903. The vote was 24,072 to 21,169.

Frontier Town Manager, 1938 Model

MIRIAM ROHER

National Municipal League

Baie-Comeau, infant manager community in Canada, born into municipal life with a silver spoon in its mouth and a trained administrator to rear it.

THEY tell of the dead and gone frontier days, when men who had tired of their old lives—or men whose old lives had tired of them—pushed their lone way through wilderness to stop at some unmapped spot in the west where there might be gold or silver. There, in company with a growing number just like them, they would work at making sudden fortunes. But in the nights they would play at squandering such fortunes as they made. Then there would be drink, and “scarlet women,” and pistol shots, and chairs flung through windows. And finally a group of vigilantes would set up a rough kind of order based on force.

It is a far cry from those old frontier days to the new. James Albert Whitaker, B.A., B.Sc., C.E., pioneer, painted a different picture when he came south to the old world—which would be the United States—a few weeks ago. He told of a spot on the farther shore of the St. Lawrence River, perched in the barely charted Canadian wilderness in the province of Quebec, Canada, ninety miles by water, five hundred miles by land to the nearest center of urban activity. There is no gold in this place but there is timber, and, for cut-over United States, timber is as good as gold.

Two years ago the Ontario Paper Company, which sells its products to two of the largest daily newspapers in New York City and Chicago, the *New York*

Daily News and the *Chicago Tribune*, selected the spot as the new base of supplies. The population, not counting timber and members of the animal kingdom, was zero. But word was bruited about in employment-starved United States and Canada that work was to be had in this new outpost, and from every part of the continent they packed up and came with their household goods and their wives and children. That would be early 1937. Now, November 1938, 2,500 are there and the place has been named Baie-Comeau.

The early history of Baie-Comeau is in some respects a monument of dullness. Its score as regards scarlet women, drunken brawls, and easy murder is practically zero. Its population is respectability incarnate, skilled paperworkers and their families, 70 per cent of them pious French Canadian and Irish Catholics, the rest decent upright English, Scotch, and American Protestants. There is a meed of shopkeeping and professional gentry and company executives.

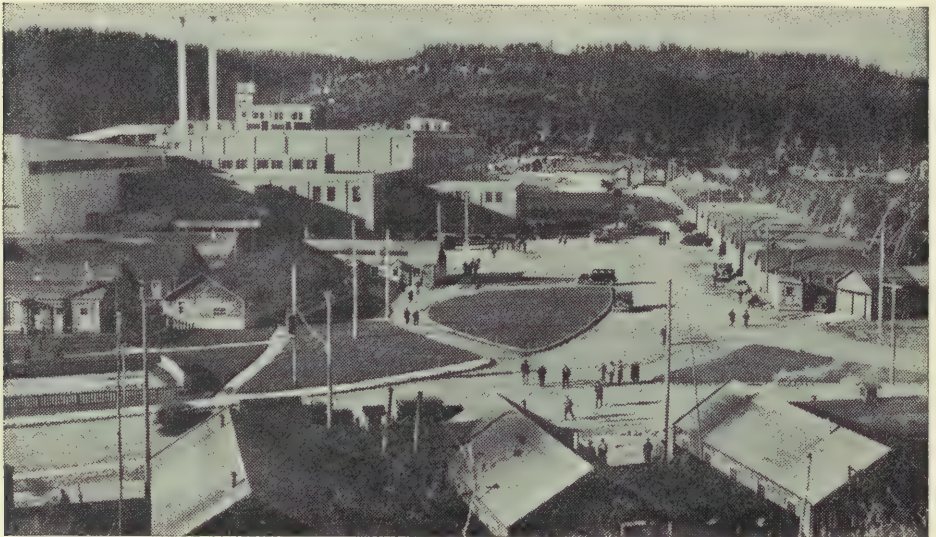
In the person of James Albert Whitaker is a good deal of the soul of Baie-Comeau. Mr. Whitaker is known as a public administrator and he is probably one of the few in the world who have full right to the title. Public administration runs in the Whitaker blood. He has been in municipal affairs all his life, his father and grandfather and great-grandfathers before him in England and in India. “I chose this profession,” he told me, “in 1906 when I graduated and, after studying intensively to get command of the professional and technical knowledge required, took up the work of municipal administration for large development groups and industrial corporations.”

On May 20, 1937, on application of

the paper company, the town of Baie-Comeau was granted a charter from the provincial parliament, and Mr. Whitaker came to take the position of town manager. It was not a question of restoring a semblance of order in an uncivilized shambles. It was, instead, a question of supervising the building of an up-to-the-minute community. Much older paper-making centers in more "civilized" sections of North America will take second or third place beside

The sidewalks will be of permanent material, the streets will be paved (no wood and mud footpaths to be countenanced). There is a city health officer whose duties are listed (in a blue printed chart of the town's organization, dated November 1937) as

1. Quarantine officer
2. Food and dairy inspector
3. Fumigation
4. Sanitation



Plant Building of Ontario Paper Company and Temporary Camps, 1937-38, Baie-Comeau, P. Q.

this frontier town. The plant built by the patron paper company is the most modern known to the mind of man, and the town is to match it in every respect. The town's 1937 budget for maintenance was \$22,000; for 1938, \$48,000; for 1939 it will be \$65,000. The public debt is expected soon to reach \$450,000. The figures reflect activity. Two fully equipped schools, one for Catholics, the other for Protestants, have recently been completed. These schools are up to the minute, with the latest in school construction and engineering. Health centers for both schools have been provided.

This health officer is not a paper-worker who has a drag with the administration but a graduate M.D.

There is also a town engineer (C.E., Q.L.S.) among whose functions is the operation of a sewer system, collection of garbage (no back yard heaps in Baie-Comeau), maintenance of fire hydrants and hosehouses, repair and maintenance of streets and lanes. The town architect (M.R.A.I.C.) inspects buildings, gives technical advice, and prepares plans and estimates for all prospective builders. The department of public safety is headed by a man who received his police training in the

service of the provincial police and knows his job. City attorney (LL.B.), assistant town manager (C.E.), secretary-treasurer and assistant fill out the roll of department heads.

Although Manager Whitaker dispenses with a secretary (to save money), he follows the most elaborate course with regard to the town's future. One-man planning board, he has schemes afoot for permanent water supply, roads, and high schools as soon as the population gets old enough to need them. What the mind of man can devise in the way of physical concomitants, the manager implies, Baie-Comeau will have.

But will it also have democracy?

The question is apt, since for all its up-to-the minute improvements, its manager plan and fully equipped government, the town has been poured, so to speak, from the top. Through the funnel of American business enterprise has come the entire community, and if there are greased wheels it is easy to see where the grease came from. This first, efficiency-dedicated town council was named by the company in its application to the provincial parliament for a charter. Will the second, popularly-elected council be equally devoted to efficiency and, even if it is not, will not government improve through the infusion of greater democracy?

Manager Whitaker says yes. "The Canadian people are democratic and know the value of their democratic institutions." Then, too, Baie-Comeau's cultural life is an augury of great future good. Like the flowers of spring civic organizations have bloomed in this snow-locked community—men's clubs, women's clubs, religious clubs, even a suffragist movement, for the province is the only one which denies women the ballot for provincial elections. The town manager himself has anticipated the need for a real citizens' organization which will do the job that citizens' organizations have done in Toledo and Cincinnati to keep manager government and good government, and is planning evening classes for adults which will include civics. His recent trip to the States had a dual purpose: to attend the meetings of the International City Managers' Association in Boston, and to find out what makes citizens' organizations jell.

Baie-Comeau has had an auspicious beginning. Only two years old now, it has almost since birth enjoyed the best that civilization can give it in the way of government, economic foundation, and the material conveniences of life. It will be interesting to see how its future development differs from the development of frontier towns of the past.

THE LEAGUE'S BUSINESS

(Continued from Page 566)

15. Precedents for Single-House Legislatures (as recently adopted in Nebraska)
16. Present Status of the Town Meeting as an American Institution
17. The Record of the City Manager Plan During the Depression
18. The Effect of the Short Ballot Movement Upon the Operation of Democracy in America.
19. The Problem of Unemployment Relief in (any given state, city or county)

The prize of one hundred dollars has been awarded annually since 1911 to the author of the best essay on a subject connected with state or local government. It was originally contributed by the late Mrs. George Burnham, Jr., of Philadelphia, and is now being continued by her family, in memory of William H. Baldwin.

The contest is open to undergraduate students registered in a regular course in any college or university offering direct instruction in state or municipal government. The League will be glad to send full information regarding the contest to any person making inquiries.

HOWARD P. JONES, *Secretary*

Lesson by Kalamazoo

"The city of Kalamazoo, Michigan, has achieved the unusual distinction among American cities of staying out of debt and having a balance of a million dollars in the bank. Sound financing, under a city manager, has made this possible."—News item.)

Give a thought to Kalamazoo—
It knows that one plus one makes two;
It keeps its books the good old way,
And doesn't doubt what ledgers say.

It is the wonder of the land—
It balances the budget, and
It doesn't sit around and grin
At spending more than it takes in.

It has a strange idea of dough!
It believes in paying as you go;
In hearing of vast plans quite sunny
It even asks "But where's the money?"

Oh, Kalamazoo! Oh, Kalamazoo!
It passes up red ink for blue;
It never welcomes merrily
The prospect of insolvency.

It puts in office funny men,
Who say that five and five are ten;
They take a budget and then trim it—
They never say "The sky's the limit."

It likes the old time type of guy
Who often asks the question "Why?"
Before he'll ever dash to join
A movement costing lots of coin.

A city manager it has
Who doesn't like financial jazz;
There is no cry of "Throw him out!"
For asking "What's this all about?"

It thinks if it has parks galore
It needn't build a whole lot more,
At least until there seems a way
To get the wherewithal to pay.

It likes to use a little sense
On projects costly and immense;
And to a chance to go in debt
It has the nerve to say "Not yet!"

Beneath the manager there are
Good business men who do not bar
Discussion of arithmetic
With cries of "Aw, ya make me sick!"

It's learned to add and to subtract
With firm devotion to each fact;
And when it finds its budget low
It doesn't chirp "That can't be so!"

It doesn't say with lusty cheers
"We need not pay for this for years!"
It doesn't think it Tory stuff
To know when it has spent enough.

Oh, Kalamazoo! Oh, Kalamazoo!
I guess you simply can't be true!
It can't be that the U. S. A.
Would stand for a city like you today!

H. I. PHILLIPS, in "The Sun Dial"
New York Sun, November 10, 1938

Municipal Subsidies for Public Housing

A comparison of the relative merits of tax exemption and cash subsidies as a means of municipal assistance for local housing projects.

By PAUL STUDENSKI

New York University

LOCAL governments are required under the Wagner housing act to render limited financial assistance to public housing projects, in addition to the aid rendered thereto by the federal government. This assistance may take the form of cash subsidies, exemptions of the properties from local taxation, tax remissions, or land grants. Of these four types of subsidy the last two are of little importance. Tax remission is an altogether unfamiliar device in American governmental practice and its advantages cannot be easily demonstrated: few municipalities will be inclined under the circumstances to experiment with it. The land grant type of subsidy will be impractical in most cases, for municipalities do not generally own lands suitable to housing projects.

Thus the choices open to municipalities are largely limited to cash subsidies and tax exemptions. The relative advantages and disadvantages of these two types of subsidy will undoubtedly be seriously debated during the next few years.¹

Most proponents of public housing at this moment seem to favor the tax-exemption type of local subsidy. This preference appears to be an outcome

of the fact that tax exemption has been furnished by municipalities for many years to governmental, religious, charitable, and educational properties and can, therefore, be more easily effectuated as a form of housing subsidy than some less familiar type. Yet a close analysis of tax exemption and its implications reveals the fact that because of certain peculiar characteristics, it is not as well suited to the conditions of public housing as it is to those of religious, educational, and charitable institutions.

The principal advantage of the tax-exemption type of subsidy over a cash subsidy, in the case of religious, educational, and charitable institutions, lies in the fact that it lends itself to automatic operation and may be granted unconditionally. Any property shown to be devoted to religious, educational, or charitable purposes is automatically placed on the list of tax-exempt properties. No standards of religious, educational, or charitable service to be performed by the owners of the subsidized properties are prescribed by the public authorities. The institutions in question are left free to manage their properties and to carry on their activities therein in such manner as they deem proper and exactly as if they had not received any subsidy. Thus the grants do not carry with them any form of government control.

The second advantage of tax exemption over a cash subsidy, in the case of the institutions mentioned, is its relative simplicity and uniformity. The exemption is given without discrimination and is complete in each case. It is not limited to poor institutions or variegated in accordance with financial

¹A comprehensive report on the subject is at this moment under preparation by the Committee on Taxation of the Citizens' Housing Council of the City of New York.

need. Since the property tax is based on the assessed valuations of property, the subsidy extended under tax exemption is in all cases proportionate to the assessed valuations of the properties owned by the institutions. The tendency of each institution under this type of subsidy is to acquire the maximum possible amount of land and to construct the most elaborate type of buildings in order to secure the fullest possible advantage of the exemptions. As a result, the growth of property devoted in the community to worthy quasi-public purposes has been promoted.

The third advantage of tax exemption over a cash subsidy, in the case of such institutions, is its tendency to be permanent in nature. Once a property considered to be serving the approved purpose is placed on the exempt list, it automatically continues on that list from year to year, unless it passes into the hands of owners who use it for some other purpose—an eventuality that happens relatively seldom. There is no periodic termination, reconsideration, and renewal of the exemption. Since the institutions involved are relatively permanent in nature, the need for such reconsideration scarcely exists.

WHERE TAX EXEMPTION ADVANTAGEOUS

The peculiar features just described have made tax exemption an effective method of subsidizing properties of the institutions mentioned. For it is of paramount importance that these institutions, even though subsidized by the public authority, be free from its control. The grant of subsidy and the fixation of its amount should be automatic in their case. Neither must be left to the discretion of public officials. Otherwise discrimination as between different religious creeds, schools of educational thought, and types of benevolent or fraternal activity would inevitably creep into the grant of the subsidies. Tax exemption, as a subsidy,

has met this test. Any other type of subsidy, in the case of these institutions, would have brought about the undesirable discriminations mentioned.

The basing of the subsidy, under the tax exemption plan, on the amount and assessed value of the property involved has worked to attract to the churches, educational, and other benevolent institutions, large gifts and endowments from wealthy citizens. It has been responsible, in part, for the fact that a substantial portion of private wealth, instead of being spent for extravagant consumption or the construction and maintenance of imposing private mansions, has been devoted to the erection of beautiful and spacious libraries, museums, universities, and other quasi-public buildings, which will serve the public for many years to come.

But tax exemption also possesses certain disadvantages. First of all, it is an indirect or concealed subsidy and hence is somewhat loosely administered. Since it involves no direct cash payments, the tendency of public authorities, and especially the state legislatures, is to regard tax exemption either as a costless subsidy or as no subsidy at all, and to display undue generosity in the extension of the exemption privilege to new classes of property. Not infrequently the eleemosynary nature of the purposes to which such properties are devoted is subject to serious doubt. As a result of this broadening of the classifications of exempt properties, the cost of the exemption to the public on non-exempt properties grows with extreme rapidity.

In the second place, tax exemption is an expensive and often wasteful form of subsidy, since it is granted without regard to need and is not related in amount thereto. Very frequently the institutions enjoying the exemption are scarcely in need thereof or at least do not need a complete exemption. For

some institutions have ample resources with which to pay at least a part of the taxes due on their properties; and these taxes could have been utilized by the municipality for more worthy purposes.

Compared with the advantages cited above, however, these disadvantages of this type of subsidy in the case of such institutions are relatively unimportant.²

TAX EXEMPTION DEFECTIVE AS HOUSING SUBSIDY

The circumstances with respect to public housing, however, differ fundamentally from those of religious, educational, and charitable institutions and require a very different type of subsidy. The very features of tax exemption which seem to be especially well suited to the conditions of the latter institutions seem to be especially ill suited to conditions of public housing. For its shortcomings, which are relatively moderate in the first mentioned instance, become very serious in the latter case. In the case of housing properties the subsidy must necessarily be adjusted to the financial status of the properties, i.e., the relation of their operating and fixed costs to their income. It must be given with great discrimination, be subject to a great many conditions, be closely controlled, and be flexible in nature, for it involves public action on a much wider scale than that involved in the subsidies to the other types of property, and it lends itself much more readily to abuse.

First of all, tax exemption is an inflexible subsidy. It will provide in the case of some housing projects excessive local assistance and in the case of oth-

ers, insufficient. The assessed valuation of a housing project which measures the amount of the assistance rendered under tax exemption is not a sufficient index of the need of the project for assistance. This need depends on the prices paid, in the given project, for such things as land, materials, labor, and money; the rent-paying capacity of the tenants involved; and the competence of management. The amount of the subsidy should obviously be related thereto. Such correlation would be scarcely possible through recourse to the tax-exemption device. It is true, tax exemption could be modified, so as to be only partial in nature in cases where the financial condition of the project would permit of partial payment of the tax. Such adjustments, however, would not provide enough flexibility and, moreover, they would complicate the collection of the tax, generally.

In the second place, the tax-exemption type of housing subsidy will prove exceedingly expensive and burdensome in the event the housing program becomes extensive. The exemption will frequently amount to a subsidy of at least \$30.00 a year or \$2.50 a month, per room. These figures are based on the assumption that the assessed value per room would be \$1,000, and that the tax rate would be 3 per cent. A subsidy of \$2.50 a month per room would aggregate, in the case of a family occupying a four-room apartment, \$120.00 per year. This obviously is a substantial sum. It may be excessive in the case of those houses in which a large proportion of the dwellers are able to pay the full or nearly full economic rent. On the other hand, this same subsidy may be totally insufficient in the case of houses inhabited by a preponderance of dwellers with extremely low incomes.

The burdens of the excessive subsidy which would thus be promoted under

²For a comprehensive discussion of the issues involved in the existing system of tax exemption see chapter X of the *Report of the New York State Constitutional Convention Committee on the Problems Relating to Taxation and Finance*, Albany, New York, 1938 (Volume X of the series).

tax exemption, in many cases, would fall upon the shoulders of tenants in non-subsidized dwellings whose rents would be increased as a consequence. For the city would tend to shift the taxes which should have been paid by the owners of exempt dwellings to the owners of non-exempt ones, with the result that the rents therein would rise. Yet, the tenants in these non-exempt dwellings would often be as poor as, or even poorer than, the tenants in the exempt dwellings. Thus, tax exemption would result in part in an unfair shifting of tax burdens from the shoulders of one class of the poor to those of another.

A point may well be reached in the operation of housing exemption at which the municipality would no longer be able to shift to non-exempt properties the taxes which should have been paid by the exempt projects. For the day may come when a considerable proportion of the population may live in publicly owned houses. The losses in revenue which the city would sustain from the exemption of a substantial volume of housing property from taxation would be too great to be made up by heavier taxation of the non-exempt properties.³ Constitutional tax limitations and the resistance of the owners of non-exempt properties would prevent the requisite increases in the taxation of such properties. For the tax rates and assessments in many municipalities are already near the legal or economic limit. When the municipality is no

longer able to shift to the non-exempt properties the costs of new tax exemptions, it must either reduce some of its services or seek additional financial assistance from the state. The unfortunate feature of tax exemption is that it lulls the city into a sense of false security, while it unnoticeably undermines its principal source of revenue.

ADJUSTMENTS NECESSARY

In the third place, the municipal housing subsidy must necessarily be readjusted from time to time. During periods of prosperity the housing projects may not need as large a local subsidy as during periods of business depression, for the tenants thereof can pay during periods of prosperity, when they are employed more regularly, a larger proportion of the economic rent than they can during less prosperous periods. Tax exemption does not lend itself as readily and completely to such periodic readjustment.

In the fourth place, the municipal housing subsidy must be adjusted to the exact conditions of the costs of operation of a dwelling, including interest and amortization of the debt incurred in the course of its construction. It is impossible, at the time of the construction of a project, to foresee exactly what these costs will be and how extensive a subsidy will be required. Thus, tax exemption may, in the case of houses constructed on cheap land, at low cost, and with a substantial grant from the federal government, provide an excessive local subsidy. In the case of houses constructed under opposite conditions, it may provide an altogether insufficient local subsidy.

In the fifth place, a municipal housing subsidy must not be fixed permanently. It is hoped by all friends of the low rental housing program that eventually the costs of construction and operation of the houses will be materially reduced,

³Under some proposals tax exemption in the case of housing properties would be limited to buildings. Land would be made taxable. This limitation, however, would not materially reduce the costs of the exemption. For in a well conceived project land will not cost more than one-fifth of the cost of the project. Assuming that the assessed valuations of the projects will reflect these proportions, it would follow that such partial exemptions would be only one-fifth less costly to the city than complete exemptions.

and possibly the incomes of the poorer classes will be raised, with the result that the need for subsidy may decline. Yet tax exemption, as already noted, tends to be permanent. Only in relatively few cases has tax exemption been proposed or provided for a limited period of time.⁴

In the sixth place, the grant of a municipal housing subsidy should be conditioned by the observance of certain standards of operation by the managements of the houses. There should be strict control by the public authorities over the operation of these properties, inasmuch as large investments of public funds are involved therein. The situation is very different in this respect from that of private religious, educational, and charitable institutions, which are financed entirely by private gifts or fees, and which, as stated, should be left free of government control. Tax exemption as a subsidy would not very readily lend itself, in the case of housing, to the promotion of such standards of service and exercise of such governmental control as is necessary in this case. It is not a flexible enough device.

Finally, the inducement which tax exemption as a subsidy offers, as described above, to the subsidized agencies, to acquire the most valuable sites and to construct most elaborate and monumental buildings in order to secure the benefit of the largest possible amount of subsidy, is not an advantage in the case of housing. Here the subsidy must promote economical acquisitions and constructions and check any possible tendency towards extravagance and conspicuous display.

⁴Such temporary exemptions have been provided in New York City in the case of so-called limited dividend housing projects. These exemptions run for a period of ten years and, moreover, are limited to the taxes on buildings. The projects accommodate mainly tenants belonging to the middle income group.

A cash subsidy by a local government to a housing project may take the form of either a capital grant or of annual grants, and may be fixed in either case in various ways. The capital grant, for example, may be fixed as a sum sufficient to cover a certain proportion of the total costs of the project, or it may be limited to the costs of the land.

ANNUAL GRANTS

The annual grants may be so fixed in each case as to cover the interest costs on a certain proportion of the debt chargeable against the project. Or they may be so fixed as to provide the difference between the rent required to meet all the fixed charges and operating costs and the rent which the tenants are able to pay. The grants may be financed either from the general revenue of the municipality or from certain specially designated and earmarked taxes. The financing of the annual grants from the general revenue is to be preferred, for it permits a more economical management of the grants and is in closer harmony with sound budgetary practice. But the general revenue of the municipality offering housing subsidies should be expanded by the addition thereto of new sources of revenue, either in the form of locally shared taxes or in the form of new municipal taxes, so that the burden of financing the subsidies should not fall to any large extent on the property tax. The earmarking of a revenue to housing purposes is of some advantage in the case of a new tax: it helps a municipality to overcome the opposition of the taxpayers to its introduction. This immediate advantage, however, is overbalanced in the long run by the inflexibility and other disadvantages of this expedient. It should, therefore, be resorted to only in extreme cases.⁵

⁵New York City, in providing for a spe-

The operation of the aforementioned types of annual cash subsidy may be simply illustrated. Let us take the case of a housing project having 1,000 rooms, costing the local housing authority \$1,250,000 and assessed at \$1,000,000. The annual tax at the rate of 3 per cent of the assessed value thereof would amount to \$30,000. If the grant is fixed at an amount sufficient to cover the interest costs on one-half of the indebtedness incurred by the local housing authority on account of the project, it would amount, at $3\frac{1}{4}$ per cent interest, to \$20,312 a year. The net tax contributions of the property to the city treasury in this case would be \$9,688 instead of \$30,000. Let us assume that the rent which will cover, in the case of this house, taxes and all the operating and fixed costs not covered by the federal subsidy, is \$7.00 a month per room, but that the tenants can pay only \$5.50 per room. If the subsidy

cial subsidy for the benefit of local housing projects not enjoying a federal subsidy, has resorted to the expedient of an earmarked tax. Under an act passed by the legislature in 1938, it has introduced a tax on business occupancy, the proceeds of which are earmarked to the purposes of such a subsidy. The tax is levied at a rate of one dollar to six dollars per annum, depending on the amount of the annual rent. It is applied to all types of business occupancy, such as stores, lofts, factories, garages, offices, and the like. It is also applied to such sub-occupancies as telephone booths, slot machines, and other vending machines, billboards, concessions, desk space, and even safe deposit boxes used for business purposes. It is expected to yield a revenue of approximately \$400,000 a year which will be sufficient, at an interest rate of 3 per cent, to support a capital subsidy of approximately \$13,000,000. It is conceivable that the tax will be expanded if a larger revenue to furnish subsidies to strictly local projects is required.

is fixed as the difference between the required rent and the rent which can be charged, it would amount to \$18,000 a year (1,000 rooms, times \$1.50, times 12 months). The net contribution made by the housing project to the city treasury would be \$12,000 in this instance. If we take the case of another housing project operated under the same cost conditions, but inhabited by tenants capable of paying the full rent of \$7.00 per room, we will find that no subsidy would need to be furnished by the local government and that the tax contribution of this housing development to the city treasury would be the full amount of \$30,000.

A cash subsidy meets the tests of a good municipal housing subsidy much better than tax exemption. It can be adjusted more readily than the other type of subsidy to the exact needs of a given housing development for assistance, the financial situation of the municipality, and the general, social, and economic conditions of the country at the moment. Cash subsidies are likely for this reason to cost less and to be more effective in the long run than tax exemptions. Since the costs of cash subsidies are undisguised, there is greater probability in their case than in that of tax exemptions that the local revenue systems will be readjusted in such a way that the burdens of the subsidy will fall upon other sources than the property tax, and will not be shifted to the poor tenants in non-subsidized houses.

Thus, for a number of reasons, cash subsidies as a form of municipal assistance to public housing are preferable to tax exemptions.

St. Paul's Adjustable Salary Scale for City Employees

By SAMUEL E. TURNER, JR.

St. Paul Bureau of Municipal Research

Annual adjustment of wages in accordance with cost of living stands test of time; both civil employees and taxpayers assured a fair deal.

FOR sixteen years employees of the city of Saint Paul, numbering eighteen hundred, have received their compensation under a salary standardization plan based upon an annual wage adjustment according to the increase or decrease in the cost of living. The period during which this scheme has been in effect is one which would test the merits of this or any other wage payment system. An appraisal of St. Paul's practically unique method of compensating public employees is therefore pertinent at this particular time. Have there been increases as well as decreases in the compensation? Have there been flat wage cuts, which were so prevalent in many of our cities, forced upon the men and women working for the city? Has the base upon which salaries are determined been changed? Are the employees, the salary-fixing body, and the taxpayers still satisfied with this method of meeting personnel service costs? The answers to these questions are of paramount interest to any public body that is attempting to arrive at a more scientific salary scheme than is prevalent in most of our governmental units today.

In the year 1914 St. Paul organized its Civil Service Bureau. At that time various discrepancies in salaries for similar positions existed. Each department head¹ introduced a separate sal-

ary ordinance for his department, any increases or decreases being handled in the same way. After its organization the bureau's first recommendation to the council¹ was that certain maximum salaries be established for positions of a similar nature in the various departments. The members of the council accepted these recommendations and introduced salary ordinances for their departments, establishing maximum limits for the various positions, but in so doing did not bind themselves to adhere to any minimum rates of pay for these same positions. This agreement was reached in 1915 after a study had been made of the duties and service history of every city employee. Following this the bureau succeeded in setting up certain standard titles, grades, and rates of pay, both minimum and maximum, for the clerical service, which were adopted by the council. The bureau also recommended that the same thing be done for other city services.

In 1918 a uniform salary compensation schedule was adopted for a number of city departments. Fifteen standard rates of pay were set up with a minimum and maximum rate for each and the same rate assigned to positions of equal value. Provision was made for advancement from minimum to maximum. Some of the commissioners adopted this plan, but others continued to fix salaries and salary limits for their own departments by separate ordinances. As the bureau lacked the power to fix salaries, its hands were tied

¹St. Paul is governed by the commission form of government under which each member of the commission is not only a member of the legislative body but administrative head of a city department.

though various expedients were used in order to keep at least some of the original uniformity.

While the fixing of salaries rested in the hands of the city council, various public officials attempted to convey the impression that the Civil Service Bureau was attempting to dictate the salary rates and the methods of arriving at them. Finally, to demonstrate the falsity of this premise to the taxpayers, the bureau recommended that the council itself prepare a salary scheme that would be agreeable to all of its members. The council's new ordinance prevailed for a while with frequent amendments to bring the employees' salaries up to the rising cost of living. However, this new ordinance was nullified by a number of separate ordinances which supplanted it.

SALARY STUDY MADE

In order to see what had happened to salaries after councilmen had again resorted to separate ordinances for their departments, a study was made of the rates for twenty-five titles in different services covering the period from February 1918, to April 1920, embracing 550 employees. This study showed that from August 1919 to April 1920 three of the titles had received a 53 per cent increase while one had remained the same as before. Others ranged between these extremes. To correct this situation another complete standardization with sixteen salary grades was worked out and introduced in August 1920, with the addition of a cost of living adjustment provision, as had been requested by a group of employees in 1918. This was similar in many ways to that now in use. A 60 per cent increase over the 1916 basic rate was to be given. Percentage increases were to be made adjustable in December of each year. The ordinance as drawn up was defeated; later, how-

ever, individual commissioners introduced similar ordinances for their own departments.

This then was the background for the present plan adopted in 1922. The plan is essentially the same as that which failed of adoption in 1920, the main differences being the addition of another basic rate, making the total seventeen instead of sixteen, and the change of the adjusted rate from an increase of 60 per cent of the 1916 base to 50 per cent of that figure. The ordinance as introduced and passed by the city council applied to positions in all of the city departments.

There were two important reasons for the adoption of this plan. The first of these was the wide discrepancy between the salaries paid to positions of the same calibre in the various city departments. The second was a feeling on the part of some of the city employees that the salaries paid for their positions were insufficient to meet the rise in prices that had taken place during and immediately following the World War. As a result of these conditions a number of problems had grown up. Because of discrepancies in salaries, much time was wasted by department heads in ironing out salary problems. Frequent requests for opinions from the corporation counsel made it necessary for him to devote a great amount of time to dealing with the situations that arose. Hard feelings developed on the part of all concerned as a result of many of these salary settlements. Something had to be done to alleviate all the discontent and wasted time that ensued. In conjunction with the second reason for the plan's adoption, two developments should be mentioned. First, the city employee opposed any reduction in his salary in times of depression because he was afraid it might take an unduly long time to reach his former status as living costs rose again. Secondly, the taxpayer had to shoulder

the burden imposed by failure to reduce salaries during depression years when he could least afford it.

The adjustable cost of living standardization plan as adopted in 1922 has remained in effect with substantially no changes until this year. During the year 1923 requests were received for the regrading of forty-three titles of positions. Seventeen of these were granted and thirteen were withdrawn. Attempts were made to get around the ordinance by means of this regrading but these attempts were unsuccessful because of a civil service ruling making regrading for the purpose of promotion impossible.

RATE ADJUSTMENT

The first two adjustments in the rates, those of July 1, 1924, and January 1, 1927, resulted in upward revisions of the basic rates for a total increase of three points, or 53 per cent above the 1916 figure. The first real test of the system, however, came on January 1, 1928, when it was necessary for those in the city service to take a cut of three points, setting the basic rate back to the 1922 figure. This was accomplished without complaint on the part of the city employees, a real test of the system. Another cut of three points followed on January 1, 1931, bringing the adjusted rate down to 47 per cent above the 1916 rate. This again was unequivocally accepted by the city employees.

A temporary setback, however, did take place in 1932 when a group of employees was able to convince the council that no downward adjustment of the basic rate should be made, following the moratorium suggested by President Hoover in 1931 to all employers. The council agreed but later was forced to reinstate the cost of living ordinance because of heavy tax delinquencies, and a new ordinance reducing salaries went into effect on June 1, 1932. From that

time on things went along smoothly. There was another cut on January 1, 1933, of 10 points. Then on January 1, 1936, salaries were raised and continued to rise in succeeding years, as may be seen in table I.

TABLE I

Date of Change	Basic Entrance Salary	Percentage Increase Since 1916	Senior Clerk Stenographer Adjusted Entrance Salary
Oct. 21, 1922	\$80.00	50%	\$120.00
July 1, 1924	"	52%	121.60
Jan. 1, 1927	"	53%	122.40
Jan. 1, 1928	"	50%	120.00
Jan. 1, 1931	"	47%	117.60
June 1, 1932	"	38%	110.40
Jan. 1, 1933	"	28%	102.40
Jan. 1, 1936	"	31%	104.80
Jan. 1, 1937	"	35%	108.00
Feb. 1, 1938	85.00	39%	118.15

Basically, therefore, there has been no change in the adjustable cost of living standardization scheme since it was introduced in 1922. At the present time the Civil Service Bureau classifies and grades all titles in the city personnel according to the type and value of the work performed. The council allocates to each grade in every service one of twenty-seven basic rates of pay depending on its value and importance to the city. All titles in the same grade and service receive the same rate. Grades of like value in different services receive the same basic rate. This basic rate is a minimum or entrance rate with provision for gradual advancement to a maximum rate. Increases to the extent of 5 per cent of the basic salary are granted for each six months of full-time service, provided that the work has been of a satisfactory nature. These increases must amount to a minimum of \$5.00 per month. Not more than five are allowed in the same position. After five years of service in any position in the graded service there may be an ad-

TABLE II
COUNCIL STANDARD ENTRANCE SALARY RATES APPLIED TO SERVICES AND GRADES

From February 1, 1938, until December 31, 1938

Standard Rate No.	Basic Entrance Salary	Percentage Increase to Offset Cost-of-living Increase Since 1916	Adjusted Entrance Rate	SERVICES									
				Professional and Scientific	Sub-professional	Clerical, Administrative and Fiscal	Inspectional and Investigational	Building Care and Power Plant	General Maintenance and Automotive	Attendance	Fire	Police	Unclassified (Exempt)
GRADES													
1	\$ 37.50	39	\$ 52.13	—	—	1	—	—	—	1	—	—	—
2	45.00	39	62.55	—	—	—	—	—	—	2	—	—	—
3	50.00	39	69.50	—	—	2	—	—	—	3	—	—	—
4	55.00	39	76.45	—	—	3	—	—	—	4	—	—	—
5	60.00	39	83.40	—	—	—	—	—	—	—	—	—	—
6	65.00	39	90.35	—	1	4	—	1	1	5	—	—	—
7	70.00	39	97.30	—	2	—	1	—	2	6	—	—	—
8	75.00	39	104.25	—	3	5	2	2	3	7	—	1	—
9	80.00	39	111.20	1	—	6	3	—	4	8	1	—	1
10	85.00	39	118.15	2	4	7	4	3	5	9	—	2	—
11	90.00	37 $\frac{7}{8}$	124.10	—	—	—	—	—	6	—	—	—	—
12	95.00	36 $\frac{3}{4}$	129.90	3	5	8	5	4	7	10	2	3	2
13	100.00	35 $\frac{5}{8}$	135.65	—	6	—	—	—	—	—	—	—	—
14	105.00	33 $\frac{3}{8}$	140.05	4	7	9	6	5	8	11	3	4	—
15	110.00	33 $\frac{3}{8}$	146.70	—	—	—	—	—	—	—	4	—	—
16	115.00	31 $\frac{7}{8}$	150.80	—	8	—	—	—	9	12	5	5	—
17	120.00	30	156.00	—	9	10	—	—	—	—	—	—	3
18	130.00	30	169.00	5	10	11	7	6	10	—	6	6	—
19	140.00	27 $\frac{3}{4}$	178.85	—	11	—	—	—	—	—	—	7	—
20	155.00	25 $\frac{5}{8}$	194.70	6	—	12	—	—	11	13	7	8	4
21	180.00	22 $\frac{3}{4}$	220.05	7	—	13	—	—	—	—	8	9	5
22	190.00	21 $\frac{1}{8}$	230.15	—	—	—	—	—	—	—	—	—	—
23	205.00	20	246.00	8	—	—	8	7	12	—	—	—	7
24	230.00	16 $\frac{5}{8}$	268.25	9	—	14	—	—	—	—	—	—	—
25	255.00	13 $\frac{1}{4}$	288.80	10	—	—	—	—	—	—	—	—	—
26	305.00	5 $\frac{1}{2}$	321.80	11	—	—	—	—	—	—	—	—	8
*27	380.00	—	380.00	12	—	—	—	—	—	—	—	—	9

NOTE: The rate of compensation for grade 10 of the unclassified (exempt) service shall be a flat rate of \$275.00 a month.

*Flat rate—Not entitled to adjusting or seniority increases.

ditional increase in salary of the same amount and subject to the same conditions. This latter increase does not apply to those whose position entitles them to the benefits of any pension fund or law to which the taxpayer contributes.

The basic rate originally chosen for each class of position was an amount considered equitable for living conditions prevailing in the year 1916, as it was the opinion of leading economists in the country that prices would return to the level prevailing in that year rather than to that of one of the pre-war years. This basic rate has been adjusted up or down in accordance with increases or decreases in the price scale indices, as indicated by the United States Bureau of Labor Statistics annual reports. The index is taken for Saint Paul when given, and for the city of the first class nearest Saint Paul in size when not given.

In order to best illustrate the way that the adjustable wage scale has worked out and the various adjustments that have been made in the rates throughout the years from 1922 to date, let us see what has happened to the salary of a senior clerk stenographer.

The adjusted rate above for senior clerk stenographer applies likewise to all other titles in grade 7 of the clerical administrative and fiscal service and is known as standard rate number 10.

The other rates and the grades assigned to them are set forth in table II.

As is evident from table II the grades receiving standard rate numbers 1 to 10 inclusive are given the benefit of the full percentage increase, or 39 per cent, as of February 1938, while those receiving standard rates 11-27 receive gradually reduced percentage increases reaching the zero mark in rate number 27, the theory being that those in the higher grades of the service are not so

seriously affected by rises in the cost of living.

Recently another change in the system has been worked out. It was realized that between 1922—when the original adjustable wage scale went into effect—and the year 1938, there has been an increase in the standard of living of the average person. Consequently, it was deemed advisable to add to the cost of living increase granted on February 1, 1938, an additional \$5.00 increase, as shown in table I. This flat increase, which applied to all of the basic rates, benefits the lower paid employees more, of course, on a percentage basis, than those in the higher branches of the service.

It is fair to state, in appraising the plan and its success during the years it has been in operation in the city, that it has stood the test of time. There have been both increases and decreases. At no time have horizontal cuts been made in disregard of the original plan. The system as worked out has proved satisfactory to all concerned. It has eliminated the discontent among city employees because of variations in the rates paid for similar work. It has assured the city employee a fair wage, regardless of the rise and fall of the cost of living. The employee has accepted reductions in his salary cheerfully, realizing that, when prices go up, his salary will do likewise. It has made department heads free from the constant pressure and demands for increases from employees, giving him more time for other duties and making fewer political enemies. The taxpayer has been given a fair deal too, as he is assured that expenditures for salaries and wages will be kept down in depression periods. All in all, the adjustable wage scale and salary standardization scheme insures a definite, equitable, and uniform plan for increasing and decreasing city salaries and wages in place of the haphazard method in effect heretofore.

New London, Connecticut, Fights a Hurricane

Efficient manager regime pulls city through crisis of major catastrophe and lays plans for permanent rehabilitation.

JULIUS ARTHUR OFFSTEIN

Yale University

LATE September brought a Caribbean hurricane which swung up the Atlantic seacoast to bring to New England death, disaster, and huge property losses. Caught and crushed under the full force of the catclysm, lying almost equidistant between New York and Boston, was seacoast New London, Connecticut. This has been a council-manager city since 1921. It is primarily a commercial community of 32,000 inhabitants.

The storm struck New London at approximately 3:00 P.M., on Wednesday, September 21st, and raged for three full hours. The wind gauges broke at 120 miles per hour; unofficially the wind registered as high as 186 miles per hour. A raging fire broke out in the central business district during the midst of the gale even as a huge tidal wave was flinging ocean trawlers onto main streets, washing away hundreds of feet of roads, crumbling solid homes like paper cards, and sending eight feet of water into inner portions of the city.

Surviving the disaster was a brave and shaken people and a physically much-damaged city. Fortunately, only five people were killed: had the catastrophe struck during the summer season the toll at Ocean Beach alone might have run into the hundreds. Property damages amounted to from four to six million dollars—approximately 10 per cent of the wealth of the community was destroyed.

It was the greatest single natural catastrophe in New London's history.

Its people and its government were caught unaware. The task of meeting the immediate emergency and its resulting problems was left primarily in the hands of the city manager and his major subordinates.

IMMEDIATE ORGANIZATION AND PROBLEMS

John W. Sheedy, city manager since September 1936, was at the health building inspecting it for occupancy by the city when the storm struck. Attempts to reach the city hall by phone failed. It was four o'clock before he worked his way back to his office. He appreciated that a major catastrophe had struck the city though it was impossible to estimate the damage at that time. Three of his chief subordinates were not available: the assistant city manager was in Boston negotiating the sale of bonds, the police captain was at Bridgeport at a conference of police chiefs, the deputy fire chief was in the hospital. Fire was already raging in the business district.

Manager Sheedy immediately authorized the heads of his agencies to look for outside aid under his name. He authorized extra help and expenditures although legally a council meeting was necessary to do this: no council meeting could have been assembled in time to meet the emergency. Contact was made with the governor, requesting the calling out of the militia. The state health department was contacted and asked for aid. Surrounding fire companies and surrounding towns were contacted and asked to cooperate. Every one of the city's 250 employees was held on duty to assist in the crisis.

By 4:30 P.M. the manager was on his way to the scene of the fire, hoping to get a picture of the size of the problem. He immediately realized that the big problem was to check the fire and to prevent the looting of property. He moved around the fire area seeing that incoming fire companies were properly coördinated, handling meanwhile as best he could the business sent down from the office. By 3:00 A.M. he felt that the situation was well enough in hand to permit a four-hour nap. By 7:00 A.M. Manager Sheedy was back on the job.

The first big problem was to open lines of transportation and communication. Manager Sheedy authorized the hiring of four hundred men to begin clearing the streets after trying in vain to get WPA headquarters on the phone: WPA subsequently took over this expense. Every truck in sight was hired for the job and every militia truck was put into use.

The second big problem was health. The pressure in the water unit had dropped from fifty to four pounds because of a lack of power. There was great danger of an epidemic from unclean water. In conference with an engineer and a physician sent by the state government it was decided to notify all persons to boil their water and their milk. Since there was no newspaper or radio in operation the manager called upon the boy scouts, the militia, and other agencies to assist in distributing mimeographed instructions to the populace. Spoiled food was detected and condemned.

At 10:00 A.M. a brief council meeting, called by the manager, was held in his office. After a short summary of what had been done, the council voted emergency power to Mayor St. Germaine who immediately handed it over to Manager Sheedy. The council also authorized the manager's emergency

acts; it voted unlimited power during the crisis; it voted a curfew law, a virtual martial law commanding everyone to be off the streets after 7:00 P.M. except persons with passes issued at police headquarters, by the manager, or at militia headquarters; it restricted the sale of liquor.

COORDINATION OF FORCES

By noon of the 22nd of September the manager had begun to coördinate all working forces. Three separate groups were set up: one dealt with the clearing of streets and highways; a second, dealing with health, was ordered to make an immediate survey of the city, especially in order to condemn dangerous food, check up on water, and reassure the citizenry; a third group was ordered to coöperate with the Connecticut Power and Light Company in solving the problem of a total absence of electrical power. To assist this last group the manager attempted to get privately owned power plants for temporary use by the city. Reports were coming in of profiteering in the sale of candles and flashlights, and an order was issued that continued practices would lead the manager to commandeer all supplies. Meanwhile, a diesel engine was set up to chlorinate the water and the fire pumps were used to build up water pressure in the mains. As much as possible an attempt was made to overcome the absence of electric power by replacement with gasoline engines.

By nightfall on this second day over one thousand men were engaged in the business of ministering to the emergency needs of the city.

For three days water was boiled before the restriction was lifted, and the curfew law was in operation all that time.

The whole of the administrative service, 250 strong, worked for the first

ten days following the crisis from 7:00 A.M. to 12:00 P.M. The various additional workers tended to shade off after the first week into smaller and smaller numbers. "Normalcy" was not attained until approximately two weeks following the disaster.

FIRE DEPARTMENT'S TASK

Three great problems needed urgent solution—fire, debris, police.

The conflagration which broke out in the midst of the storm in the central business district spread quickly to other portions of the city under the driving power of the hurricane. Two companies answered the first fire alarm at 4:30 P.M.—that is, two of the twenty-two full-paid members of the volunteer department, and their apparatus. Before the fire was under control over four hundred persons were engaged in fighting it, including all paid firemen, men from the U. S. Naval Base, the U. S. Coast Guard and the Coast Guard Academy, WPA men hired by the manager, members of the CCC, and private citizens, to say nothing of outside companies who had arrived to assist under the New London County coöperative agreement. The Goshen fire company arrived shortly after midnight after "chopping through thirty-two trees and taking over ten hours to go three and one-half miles."

The fire was brought under control at midnight, when a shift in the wind lessened the danger of sparks flying to other buildings. In all, over sixty-five buildings were destroyed or damaged, and a full block of business district was levelled to the ground. Damage was estimated at over one million dollars.

Fire Chief Shipman, trained in the New York Fire School, worked steadily without sleep for seventy-two hours. His deputy emerged from the hospital to fight the fire, but after a few hours

he was again confined. The full-paid men of the department worked somewhat less than the chief, who was on duty eighteen hours a day for two weeks, fourteen hours a day for the following week. It was necessary to watch the smouldering remains of the buildings, tear down walls to make streets safe for civilians, clear the streets so that fire trucks would be able to reach new fires. The department did not return to normalcy for almost a month.

Hardly a street in the city was not blocked by fallen trees or debris. There was great danger that fire companies would be unable to answer calls unless one-way traffic at least could be provided for.

City Engineer George E. Waters began in the midst of the storm to plan for the work of clearance. His full department of over one hundred employees, several hundred men hired by the manager, men from the Coast Guard, the Submarine Base, and all private citizens willing to contribute effort were turned to the task of opening up the main traffic arteries. Some of the fallen trees were over two hundred years old, and measured up to one hundred feet high and over twelve feet around.

All main arteries were not open to traffic for over a week. Clearance of back streets is still going on.

Police Captain Babcock was in Bridgeport attending a conference for Connecticut police chiefs when the storm broke. He immediately tried to get in touch with his department to give orders for meeting the emergency and to discover what was being done. Two attempted phone calls somehow reached the city, and after giving instructions he immediately set out for home. On the way through New Haven he contacted National Guard officials and requested that the National Guard, of

which he is an officer, be called out, offering to take the responsibility for the action. The captain holds a law degree and was sure of his ground. He was able, by dint of hard labor, to travel the sixty-odd miles home in about twelve hours. Meanwhile, the emergency was being met.

POLICE AND FIRE FORCES AUGMENTED

The entire police force, of forty-two patrolmen, six sergeants, and a lieutenant, was put on duty. By 6:00 P.M., fifty men had arrived from the Submarine Base, and twenty-five of these were sent to aid the fire chief. By 7:00 P.M. the National Guard was on duty, with most of the 165 men which it furnished as a maximum. The Coast Guard sent fifty men, who were turned over to the fire chief. A staff of fifty men was expanded to several hundred.

The city's six square miles and 32,000 population is normally policed with twelve men, with the aid of automobiles, phones, and radios. These means of communication were now inapplicable. The police set up a three-point objective—to protect life and property, to detect fires (the fire alarm system was out of order), to give assistance to citizens and to make a careful survey of their needs. The entire city was divided into districts and turned over to patrols of two or three. By noon of September 22nd, Captain Babcock was able to begin releasing the emergency assistance. By that time the curfew law was in effect, and an adequate system had been worked out.

By 6:00 A.M. on September 22nd, messages were beginning to pour through from as far west as California and as far south as Florida. New London is the home of fashionable Connecticut College for Women and the Coast Guard Naval Academy, and parents were anxious to hear of the safety of their daughters and sons. Calls came

in at the rate of thirty to forty an hour, and a sergeant of police was detailed to handle them. This business was finally turned over to the Red Cross.

By October 1st the additions to the police department had been withdrawn, and the department had returned to its normal order.

PERMANENT ORGANIZATION EFFECTED

Not until ten days after the storm was the city able to think seriously about permanent reconstruction and rehabilitation. In consultation with the mayor, the assistant city manager, and several important citizens a permanent organization was worked out by the manager.

The purpose of the permanent organization was to lay plans to reconstruct the city and to bring about in addition some much needed reforms. Heading the organization was the council and manager. Beneath it was the Committee on City Reconstruction, consisting of the council and manager, the board of finance, and the planning board. To assist the Committee on City Reconstruction there was set up a Committee of Seventy, consisting of the above-mentioned officers and leading citizens. The Committee of Seventy was divided into seven sub-committees, called sub-committees A to G, each of which consisted of a councilor, a member of the board of finance, and five leading citizens. It was between these sub-committees that the actual work of the city was divided.

Sub-committee "A" was delegated the task of investigating "the repair and rebuilding of damaged highways, including the widening and extension thereof and the replacement of public shade trees therein." Sub-committee "B" handled "the repair, reconstruction, extension, and improvement of the sewage dis-

(Continued on Page 622)

New Municipal Finance Provisions for New York State Constitution

Because of the many inquiries received by the National Municipal League regarding the new provisions on local finance in the constitutional amendments adopted by New York State voters on November 8th, the REVIEW has asked Major Henry J. Amy, executive director of the New York Citizens' Budget Commission, to make an analysis of these provisions. Major Amy was not only responsible for some of the proposals but rendered valuable assistance in drafting them.

The provisions on local finance are contained in a new article VIII in the New York State constitution devoted entirely to the subject of local finance.—EDITOR.

Section 1 continues in substance the present restrictions with respect to the lending or giving of money or property or credit in aid of any individual or private corporation or undertaking and the present authorization to provide for the aid and support of the poor. It also includes a provision, formerly contained in section 14 of article VIII, which authorizes public support and maintenance of inmates of charitable and similar institutions.

Section 2 prevents the contracting of indebtedness except for public purposes and limits the maturity of any indebtedness to the period of probable usefulness of the object or purpose for which the indebtedness is contracted. With certain exceptions in the City of New York, no bond issue may have a maturity in excess of forty years and, except for temporary borrowings, only serial bonds may be issued, to be redeemed in annual instalments, the first of which must be paid not more than two years after the indebtedness is contracted. No instalment may be more than 50 per cent in excess of the smallest prior instalment. *New* indebtedness may not be refunded for longer than the original period of probable usefulness and *existing* indebtedness may be refunded only with the approval of and subject to terms and conditions prescribed by the state comptroller, but not for more than twenty years beyond the date of refunding. The pledge of faith and credit is required for the payment of principal of and interest on all indebtedness.

In the City of New York, either sinking fund bonds or serial bonds, with a maximum maturity of fifty years, are authorized for the supply of water, the acquisition, construc-

tion, or equipment of rapid transit railroads, or the construction of docks, including the acquisition of land in connection with either.

An important new provision requires every county, city, town, village, and school district to make an annual appropriation for the payment of interest on all indebtedness, for the amounts required for the payment of the principal of all indebtedness except temporary borrowings, and for the redemption of all certificates issued in anticipation of taxes or other revenues and not retired within five years. In the event of failure of the appropriating authorities to make such appropriations, local fiscal officers are required to set aside, from the first revenues received in any fiscal year, a sufficient sum to provide therefor and any holder of municipal obligations may bring suit to compel such action. This provision should result in improving the credit of municipalities and in making possible lower interest rates.

Section 3 prohibits the creation of any municipal or other corporation (other than a county, city, town, village, school, or fire district, or a river improvement, river regulating, or drainage district established or supervised by the Department of Conservation), with the power to contract debts and to levy or require the levy of taxes or assessments on real estate, but permits the creation of improvement districts in counties and towns provided any debt contracted by such districts shall be considered a part of the county or town debt. It also forbids any such corporation now existing to contract any new debt without the consent of the city, town, or village of which it is a part and requires that any debt so contracted shall be considered a part of the debt of the city, town, or village.

Section 4 continues the present 10 per cent debt limitation, with certain exceptions, applicable to counties and cities, and extends its application to include towns and villages. Effective January 1, 1944, except for the City of New York and the county of Nassau, the limitation is reduced to 9½ per cent for cities and 9 per cent for counties, towns, and villages. Effective January 1, 1949, these latter limitations are further reduced to 9 per cent and 8 per cent respectively.

A new provision requires these limitations to be based, not upon the current year's assessed valuations, as at present, but upon the five-year average of the current year's and the four preceding years' assessed valuations. This will have the beneficial effect of stabilizing the annual debt-incurring power by preventing large increases in that power in periods of increased assessed valuations and corresponding reductions in periods of declining values.

DEBT PROVISIONS

Section 5 provides certain exclusions from the debt limitations prescribed in section 4 for counties, cities, towns, and villages. It continues to exclude certificates or other evidence of indebtedness issued in anticipation of the collection of taxes or other revenues. It makes state-wide the present exclusion for cities of indebtedness contracted to provide for the supply of water.

It makes possible, subject to legislative action and authorization by the Appellate Division of the Supreme Court, exclusion of indebtedness contracted by any county, city, town, or village for a public improvement or service which yields annually revenues sufficient to meet all operating expenses and debt service charges. But no such indebtedness may be excluded in any year if the revenues of the preceding year shall not have been sufficient for those purposes. Such exclusion is now possible only in the City of New York.

A new provision authorizes the issuance of serial bonds by any county, city, town, or village which now maintains a non-actuarial pension or retirement system which lacks reserves to provide for its liabilities, but limits the amount of any such bond issue to an amount sufficient to provide for the payment of liabilities actually accrued at the date of issuing such bonds, on account of present pensioners and their dependents and prior service of active members. Such bonds may be excluded from the debt computation, but the debt service charges shall be within the 2 per cent tax rate limit. Any pension or retirement fund for which bonds are so issued must thereafter be maintained on an actuarial reserve basis with current payments to the reserve adequate to provide for all current accruing liabilities.

Section 6 continues the present exemptions of \$10,000,000 in the cities of Buffalo and Rochester and \$5,000,000 in the city of Syracuse for the cost of public improvements which are required to be financed by assessment upon local property.

Section 7 deals with special exemptions affecting only the City of New York. It changes the provision with respect to the exemption of tax notes issued for the payment of current operating expenses. The present constitution places no limit upon the amount of such notes which may be issued until the city has reached its debt limit and then permits exclusion of tax notes not exceeding one-tenth of 1 per cent of the assessed valuations. The new provision requires tax notes in excess of one-tenth of 1 per cent to be charged to the debt margin under any circumstances. It continues the present provision with respect to the exemptibility of indebtedness contracted prior to January 1, 1910, for dock purposes, subject to legislative action and approval by the Appellate Division of the Supreme Court.

EXEMPTIONS FOR RAPID TRANSIT

An important change has to do with the special \$300,000,000 exemption, now in section 10-a of article VIII, for indebtedness contracted for new rapid transit facilities after January 1, 1928. Originally this was not intended to be construed as a revolving fund. The city comptroller, however, has recently so construed it and has increased the debt margin under this section by approximately \$53,000,000, the amount of bonds previously issued and exempted under this section and since retired. The new provision makes perfectly clear that this \$300,000,000 is a one-time exemption and leaves the present debt margin thereunder, inclusive of commitments for which bonds have not yet been issued, at about \$16,500,000.

Section 8 continues the present stipulation that no indebtedness valid at the time of its inception shall thereafter become invalid by reason of the operation of any of the provisions of this article.

Section 9 continues the existing provision with respect to termination of the power of counties wholly included within cities to contract indebtedness.

Section 10 deals with the limitations on the

power to levy taxes and in several respects is a vast improvement over the present provision. The present 2 per cent limitation applicable to cities of over 100,000 population and counties containing such cities is continued. Effective January 1, 1944, this limitation is made applicable to all cities and villages. With respect to cities of not more than 100,000 population, and villages, the legislature is given power to exclude from the 2 per cent limitation the taxes required for educational purposes.

The five-year average of assessed valuations applicable to determination of debt-incurring power is also made applicable to determining the taxing power. This will make more uniform the annual taxing power of municipalities and prevent abnormal increases or decreases in the permissible tax levy. The immediate effect in the City of New York will be a reduction in the taxing power by an amount estimated to approximate \$900,000 in the fiscal year 1939-1940.

TAXING FOR DEBT SERVICE

An all-important change concerns taxes required for debt service on short-term borrowings, which, in the 1938 New York City budget, amount to \$27,750,000. It has been the practice throughout the years in the City of New York and elsewhere to include these taxes within the 2 per cent tax limitation. There are those, however, who contend that the present constitution gives unlimited taxing power with respect to all debt service and that the taxes required to service the short-term debt may be levied in addition to the 2 per cent permitted for operating expenses. The amendment specifically gives unlimited taxing power for debt service on all indebtedness, but limits the taxes which may be levied for operating expenses to an amount equal to 2 per cent of assessed valuations, less the amount of taxes actually levied for debt service on the short-term debt and for serial bonds issued for pension funds referred to in section 5.

Another important change specifically limits the amount of taxes which may be levied on real estate to 2 per cent of the assessed valuations of real estate. The present constitution permits taxes amounting to 2 per cent of the assessed valuation of the real and personal estate and does not specifically limit the taxes on real estate to 2 per cent.

Section 11 is entirely new, primarily made necessary by the requirement of the New York City charter for an ultimate approach to the pay-as-you-go method of financing certain capital improvements. The charter requires the city to levy taxes currently for such purposes, beginning with 2 per cent of the cost in 1939 and increasing at the rate of 2 per cent yearly thereafter, with a resultant gradual decrease in the taxes required annually for debt service. This section authorizes the exclusion from the tax limitation of the amount of taxes so required annually in New York City or elsewhere but, as an offset, requires that, in the case of any improvement financed in whole or in part through exempt taxes, whatever part of the cost of any such improvement is financed through current taxes shall be deemed to be indebtedness to the same extent and in the same manner as if the improvement had been financed entirely by contracting indebtedness.

Although this provision may permit increases in exempt taxes in the earlier years, the result throughout the period of redemption of any bond issue will be a net reduction in the exempt taxes which may be levied, since the sum total of taxes currently levied and future taxes levied for debt service will be less than would be required were the entire cost of the improvements to be financed through exempt taxes levied for debt service. The limitations contained in this section and the advantages of the pay-as-you-go principle offset this one objection.

Section 12 reserves to the legislature the right to further restrict the power of municipalities to contract indebtedness or to levy taxes, except for debt service on indebtedness theretofore contracted.

Comparative Tax Rates

of 294 Cities, 1938

Present year's assessed values and property tax rates show slight increase over 1937 figures.

By ROSINA MOHAUPT

Detroit Bureau of Governmental Research

THE average tax rate of 248 comparable American cities reporting in 1938 and 1937 again shows a small increase, continuing the trend of 1937 and 1936—the increase amounting to sixty-five cents per \$1,000 of assessed value. There was also a slight increase in assessed values—1 per cent over 1937—probably due to new building, including that promoted by the federal government, now being placed on the assessment rolls. It is apparent, however, that there has been sufficient depreciation or obsolescence in other property to offset any significant increase due to new building. It may be said that this is the fourth year during which assessed values of urban property have remained practically stationary.

TABLE 1
COMPARISON OF ASSESSED VALUES AND AVERAGE
ADJUSTED TAX RATES OF ALL UNITED
STATES CITIES REPORTING IN TWO
SUCCESSIVE YEARS

Years	Assessed Values Per Cent of Increase or Decrease	Average Adjusted Tax Rate, Amount Increase or Decrease
1937-38	+ .8%	\$+.65
1936-37	— .3	+.82
1935-36	+ .1	+.61
1934-35	—1.8	—19
1933-34	—6.4	+.71
1932-33	—8.1	—57

This year several changes have been made in the method of presenting the annual table of tax rates of cities. First, the *actual* tax rate levied per \$1,000 of assessed value is reported, rather than

the tax rate on a uniform 100 per cent basis used in the past. The rate used is that shown on the tax bill (if on \$1,000 valuation); hence it prevents confusion on the part of persons checking a local situation.

Second, the estimated ratio of assessed value to true cash value is shown, in place of the former "estimated ratio of assessed value to legal basis of assessment." In most cities, the legal basis is 100 per cent of true value, hence this ratio is the same as the ratio of the assessed value to legal basis. But in some states, the legal basis is less than 100 per cent, hence questions have arisen as to what the assessed to true value ratio is in such cities. It is thought that the change will clarify the presentation.

The adjusted tax rate remains the same. In making comparisons in this commentary, it has been necessary in some cases to recompute the 1932 and 1937 figures for certain cities due to the changes in method of presentation.

One difficulty encountered is the rather common practice of two assessing units using different ratios of assessed to true value. This is especially true where there are separate city and county assessing bodies. For simplicity in presentation in this tabulation, a composite figure or weighted average of the different ratios is shown, rather than the separate ratios. Therefore, in using these data, the ratios for some cities are not reported by any single unit, but reflect the effect of the several assessing practices. It is a sad commentary on American procedure that interpretation of the general property tax law is so loose that it is possible under a single state law to use more than a single assessing ratio.

The population figures are those reported for the 1930 census. There have been some objections to the continued use of these figures, but the usual practice of computing increases during interim census periods, on the basis of growth of the preceding decade, is not considered valid due to the depression and the fact that the population of the country is becoming more stationary. Undoubtedly, many of the smaller cities are penalized by the use of the 1930 figures, but from such studies as have been made, it is apparent that for the majority of the cities these figures are as good as any which could be used.

Only a few of the column headings of the tabulation need be discussed. The Canadian assessed valuations include business and income assessments when they are subject to the same tax as real property, but not all provinces use this type of tax. The date the tax is levied is shown for the city only, excluding other taxing units. The same is true of the number of installments in which the city tax is payable. Even in such cases, only a simplified version is indicated for the complex systems of tax payment which some cities use. Special taxes, other than city, school, county, and state, are included with one of these four classifications, although this practice has caused some dispute regarding the units to which they are added. In general an effort has been made to follow a consistent practice, upon the advice of persons qualified to give a decision. In this tabulation, all inconsistencies of previous years have been reconciled and uniform treatment given all. The copious footnotes applying to special taxes are to clarify local situations.

The ratio of assessed value to true cash value has been a bugaboo since this tabulation was started in 1922. Fortunately, in recent years there has

been a trend on the part of state tax commissions to assume some supervision over this ratio as in Illinois, New York, California, Washington, and in other states where the estimates of the county assessors are published by the state tax commissions. While this gives a standard for these states in some cases, unfortunately it is a fragile reed on which to rely as so few samples are taken to determine the ratio. In a majority of the cities, the figure reported is clearly an estimate which sometimes is not supported by even a careful appraisal of the local situation. In some cases, where the tax laws make it mandatory to assess at 100 per cent of true value, the assessor reports this figure, although admitting in private conversation that it is erroneous, and the ratio should be lower. Because of the widespread differences in tax laws and assessing practices, the *adjusted* tax rate, with all of its iniquities, still is the best basis of evaluation.

HIGH AND LOW RATES

The effect of the differences in the estimates of the ratio of assessed to true value is shown in the following table II, which gives the highest and lowest tax rate, both unadjusted (as reported on the tax bill), and adjusted, which might also be termed as the *effective* rate if all properties were assessed at a uniform 100 per cent of true cash value basis. This is, however, only an approximation, as many cities have no facilities to compute this ratio correctly, and also the ratio is seldom valid for *all* properties in the same unit of government. This table excludes the seventeen Canadian cities and three American cities which were not entirely complete.

The unadjusted or total actual tax rates of the 274 American cities range from \$13.35 in Wheeling, West Virginia, to \$117.38 in St. Petersburg,

TABLE II

RANGE OF 1938 TAX RATES—274 AMERICAN CITIES

Population Group ¹	City	Rate	
I	<i>Unadjusted Rates</i>		
	Chicago, Ill.	\$87.30	High
	Philadelphia, Pa.	26.25	Low
	Average	38.65	
	<i>Adjusted Rates</i>		
II	Boston, Mass.	41.30	High
	San Francisco, Calif.	19.36	Low
	Average	28.67	
	<i>Unadjusted Rates</i>		
	Minneapolis, Minn.	100.25	High
III	Washington, D. C. ²	17.50	Low
	Average	43.08	
	<i>Adjusted Rates</i>		
	Jersey City, N. J.	47.54	High
	Washington, D. C. ²	15.75	Low
IV	Average	29.68	
	<i>Unadjusted Rates</i>		
	Duluth, Minn.	109.39	High
	Dayton, Ohio	15.80	Low
	Average	39.77	
V	<i>Adjusted Rates</i>		
	Lowell, Mass.	48.80	High
	Canton, Ohio	12.23	Low
	Average	27.65	
	<i>Unadjusted Rates</i>		
VI	Atlantic City, N. J.	56.37	High
	Wheeling, W. Va.	13.35	Low
	Average	36.72	
	<i>Adjusted Rates</i>		
	Atlantic City, N. J.	56.37	High
VII	Wheeling, W. Va.	9.35	Low
	Average	25.90	
	<i>Unadjusted Rates</i>		
	St. Petersburg, Fla.	117.38	High
	Steubenville, Ohio	14.20	Low
VIII	Average	40.42	
	<i>Adjusted Rates</i>		
	Phoenix, Ariz.	50.49	High
	Steubenville, Ohio	11.36	Low
	Average	26.64	

¹The United States Census groups cities according to population as shown in the accompanying tabulation.

²Excluding Washington, which receives a substantial contribution from the federal government, Cincinnati is low in group II cities: its unadjusted rate is \$21.78; its adjusted rate, \$17.42.

Florida. The average rate for all cities is \$39.19. Adjusted tax rates vary from \$9.35 in Wheeling, to \$56.37 in Atlantic City, with an average rate of \$26.90. The classified property tax in West Virginia which provides that homesteads shall be levied at half of the full rate and certain personal property at one-quarter of the full rate, together with a twenty-mill tax limit on the full rate, gives Wheeling an average rate which is the lowest of all cities.

As has been pointed out in a previous tabulation, the wide range in both total and adjusted rates indicates the lack of uniformity in the administration of the general property tax. However, the average rates in the various groups are more logical amounts, and comparisons should probably be limited to the population groups and the country as a whole rather than extended to individual cities.

Table III shows a comparison of the tax rates of the cities reporting in both 1937 and 1938 by population groups.

Last year the group I cities showed an increase of \$1.88 in the adjusted tax rates over 1936, but this year the group shows the smallest increase of the five categories. The group II cities now show the highest increase—\$1.70 in the adjusted rates, Newark and Jersey City being responsible for a considerable part of the increase.

Continuing the comparison of the rates, table IV shows the changes since 1932 of 220 comparable American cities reporting in 1932, 1937, and 1938.

TABLE III

COMPARISONS OF 1938 AND 1937 AVERAGE UNADJUSTED AND ADJUSTED TAX RATES OF 248 AMERICAN CITIES

Population Group	Average Unadjusted Rates per \$1,000 of Assessed Value			Average Adjusted Rates per \$1,000 of Assessed Value		
	1938	1937	Increase	1938	1937	Increase
I	\$38.65	\$38.40	\$.25	\$28.67	\$28.39	\$.28
II	43.08	40.75	2.33	29.68	27.98	1.70
III	38.59	37.99	.60	27.22	26.50	.72
IV	37.18	36.77	.41	25.83	25.06	.77
V	38.92	38.28	.64	25.75	25.31	.44
Total	38.53	37.90	.63	26.49	25.84	.65

TABLE IV

COMPARISON OF 1932 AND 1938 AVERAGE UNADJUSTED AND ADJUSTED TAX RATES FOR 220 AMERICAN CITIES

Population Group	Average Unadjusted Rates per \$1,000 of Assessed Value			Average Adjusted Rates per \$1,000 of Assessed Value		
	1938	1932	Increase	1938	1932	Increase
I	\$38.65	\$35.29	\$3.36	\$28.67	\$24.89	\$3.78
II	43.08	39.18	3.90	29.68	26.91	2.77
III	38.74	37.56	1.18	27.31	25.53	1.78
IV	35.07	35.26	— .19	26.02	24.80	1.22
V	39.51	38.99	.52	26.19	25.33	.86
Total	38.16	37.30	.86	26.80	25.30	1.50

While this study deals with a single source of municipal revenue, although the oldest and most productive, it is evident that the larger cities are faced with a future none too bright. This, coupled with small increases in population, gives no great hope that "everything will come out all right as soon as the present economic difficulty has passed." Some of the larger cities apparently are on the road to bankruptcy of some type, or must radically change their ways—long term financial planning, reduction of present services rendered, adoption of standards of business efficiency, state subsidization, and utilization of some of the organization and administrative devices urged for many years by students of government are indicated.

Data on homestead exemptions have been included in the tabulation for the past two years. Few cities in this tabulation, however, have a form of homestead exemption which results in any serious change in the burden of the real property tax. Studies based on a comparison of average figures of cities under homestead exemption laws with those of other cities, produce such erratic results as to make conclusions unwarranted. It is apparent that valid conclusions of its effect on revenues from the property tax can be drawn only from the study of the application of specific homestead exemption laws.

It is evident that the larger cities have had the greater problems of financing during the six-year period—the in-

crease in the adjusted tax rates almost follows a "law"—the larger the city, the larger the increase in tax rates during periods of economic depression. This matter will be discussed later in connection with the assessed values.

ASSESSED VALUATIONS

Of course, an increase in tax rates, together with an increase in assessed values, would indicate a trend toward a heavier burden of the general property tax, which would mean increased expenditures financed by the property tax.

TABLE V

COMPARISON OF 1938 AND 1937 PER CAPITA ASSESSED VALUATIONS FOR 248 COMPARABLE AMERICAN CITIES

Popu- lation Group	Per Cent Increase 1937-1938		
	1938	1937	
I	\$1,703	\$1,693	.06%
II	1,466	1,471	— .3
III	1,179	1,153	2.25
IV	1,279	1,271	.6
V	1,175	1,163	1.0
Total	1,467	1,455	.8

TABLE VI

PER CAPITA ASSESSED VALUES FOR 220 COMPARABLE AMERICAN CITIES—1932-1938

<i>Population Group</i>	<i>1938</i>	<i>1932</i>	<i>Per Cent Decrease</i>	<i>Increase in Adj. Tax Rate \$1,000 Ass. Value</i>
I	\$1,703	\$2,083	18.2%	15.2%
II	1,466	1,634	10.3	10.3
III	1,188	1,375	13.6	7.0
IV	1,325	1,509	12.2	4.9
V	1,180	1,320	10.6	3.4
Average	1,483	1,759	15.7	5.9

(Continued on Page 622)

COMPARATIVE TAX RATES OF 294 CITIES FOR 1938

Compiled by the Detroit Bureau of Governmental Research from Data Furnished by City Officials and Members of the Governmental Research Association

Group I	1930 Census	Assessed Value	Per Cent Realty	City Fiscal Year Begins	Date City Taxes (or first install-ment) are Due	1st Date City Taxes are Sub-ject to Penalty	No. of Install-ments in which City Taxes are Payable	Actual Tax Rate as Levied Per \$1,000 of Assessed Valuation†					Estimated Ratio of Tax Rate Assessed to True Value (Per Cent)†	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Home-extend Ex-emption	
								City	School	County	State	Total				
Population 500,000 and over																
1	New York, N. Y. ¹	6,930,446	\$16,650,297,794	100	Jan. 1	Apr. 1	May 1	2	\$23.12*	\$ 5.15*	\$ 1.03*	—	\$29.30	92	\$26.96	1
2	Chicago, Ill. ²	3,376,438	2,073,976,391	66	Jan. 1	May 1	June 1	1	50.50	30.20	6.60	N	87.30	37	32.30	2
3	Philadelphia, Pa. ³	1,950,961	3,456,332,857	75	Jan. 1	Jan. 25	July 1	1	17.00	9.25	N	N	26.25	90	23.63	3
4	Detroit, Mich. ⁴	1,568,662	2,466,928,943	75	July 1	Aug. 1	Aug. 15	1	19.00	7.75	5.47	N	32.22	100	32.22	4
5	Los Angeles, Cal. ⁵	1,238,048	1,362,464,440	86	July 1	Nov. 1	Dec. 5	2	17.10	16.10	21.20	N	54.40	50	27.20	5
6	Cleveland, O. ⁶	900,429	1,184,233,400	88	Jan. 2	Apr. 2	May 19	2	13.53	10.02	4.75	N	28.30	80	22.64	6
7	St. Louis, Mo. ⁷	821,960	1,038,618,322	90	Apr. 13	Sept. 15	Jan. 1	—	17.50	8.70	N	1.50	27.70	85	23.55	7
8	Baltimore, Md. ⁸	804,874	1,959,566,194	55	Jan. 1	Jan. 1	Aug. 1	—	20.48	5.12*	N	2.30	27.90	100	27.90	8
9	Boston, Mass. ⁹	781,183	1,550,407,500	93	Jan. 1	July 1	Nov. 1	2	26.02	10.04	2.33	2.91	41.30	100	41.30	9
10	Pittsburgh, Pa. ¹⁰	669,817	1,098,861,670	100	Jan. 1	Jan. 1	Apr. 1	12	15.48	11.25	8.00	N	34.73	85	29.52	10
11	San Francisco, Cal. ¹¹	634,994	823,882,608	—	July 1	Oct. 17	Dec. 5	2	31.91	6.80	N	N	38.71	50	19.36	11
12	Milwaukee, Wis. ¹²	578,249	846,913,405	91	Jan. 1	Jan. 1	Feb. 1	2	14.90	11.64	9.68	.36	36.58	95	34.75	12
13	Buffalo, N. Y. ¹³	573,076	965,467,590	96	July 1	July 1	Aug. 1	2	22.83	6.91	7.85	.21	37.80	83	31.37	13

* = Estimated. N = None.
† For detailed explanation see page 595.
§ In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.
¹New York City. Separation of total tax rate of \$29.30 is estimated on the basis of appropriations. Varying rates are levied on the several boroughs for local improvements, the rate shown being that for Manhattan Borough. State rate is included in county rate when not stated separately in New York cities.
²Chicago. The 1937 valuation and tax rates, payable late in 1937, are reported. The county rate includes sanitary district rate of \$6.40 and park district rate of \$9.10. County rate includes forest preserve rate of \$1.00. There is no state tax on real property in Illinois.
³Philadelphia. Assessed value includes \$97,323,449 so-called "money at interest" and "vehicles to hire" taxed at eight-tenths of one per cent (3 mills). The city rate includes cost of county government which is consolidated with the city. Rate shown is rate on realty.
⁴Detroit. There is no state tax on real property in Michigan. County rate shown is the 1937 rate.
⁵Los Angeles. County rate includes \$4.00 metropolitan water district and \$2.10 flood control rate. There is no state tax on real property in California.
⁶Cleveland. In all Ohio cities realty assessment includes public utilities valuation. Tangible personal property (included in valuation reported) is taxed at same rate as realty but at 50 to 70 per cent of its value; intangible personalty (not included in valuation reported) is taxed either on income or valuation at classified rates. There is no state tax in Ohio on property.
⁷Baltimore. There is no county rate. There are four rates on real property—full, partial, reduced, and no tax. The average valuation for all classes for Minneapolis is 35 per cent; for St. Paul, 38 per cent; and for Duluth, 35.5 per cent. Both rates and valuations are shown as set by authorities, and not on 100 per cent of true value basis.

suburban, rural, and new annex; all rates at less than full rate are increasing to reach full rate in 1939. Intangible personalty, amounting to \$743,426,720 of the total assessed value, is taxed the limited and classified fixed rates of \$1.88 to \$10.00 per thousand. School rate estimated on basis of appropriations.
⁸Pittsburgh. City rate is average of \$20.60 on land and \$10.30 on buildings. In Pennsylvania cities tangible personal property is not subject to city rate except as noted. Intangible personal property not included in assessed values in Pennsylvania cities is subject to a 4-mill state and a 4-mill county rate.
⁹San Francisco. City is combined with county. Valuation reported excludes solvent credits of \$47,912,757 taxed at one-tenth of one per cent (one mill).
¹⁰Milwaukee. City rate includes \$2.09 for retirement of Milwaukee's share of the Metropolitan sewerage area debt.
¹¹Buffalo. City rate includes (as in prior years) \$76 for school debt service.
¹²Washington, D. C. Congress appropriated \$5,000,000 for the District of Columbia for 1938. Intangible property (\$875,472,070 not included in assessment reported) is taxed at one-half of one per cent. City rate includes school rate.
¹³Minneapolis, St. Paul, Duluth. Homestead exemption: Minnesota statutes provide for five classes of property, assessed at varying bases of true value. Platted real estate is assessed at 40 per cent, except the first \$4000 of homesteads which is assessed at 25 per cent; unplatted real estate is assessed at 33 1/3 per cent, except the first \$4000 of homesteads which is assessed at 20 per cent; iron ore at 50 per cent; and personalty in three classes at 10 per cent, 25 per cent, and 33 1/3 per cent respectively. Beginning in 1938, the first \$4000 of true value of homesteads will be exempt from state taxes entirely, except for debt service on debt incurred prior to the passage of this law. The average valuation for all classes for Minneapolis is 35 per cent; for St. Paul, 38 per cent; and for Duluth, 35.5 per cent. Both rates and valuations are shown as set by authorities, and not on 100 per cent of true value basis.

Census 1930	Assessed Value	Per Cent Realty	City Fiscal Year Begins	Date City Taxes (or 1st install- ment) are Due	1st Date City Taxes are Sub- ject to Penalty	No. of Instal- ments in which City Taxes are Payable	Actual Tax Rate as Levied Per \$1,000 of Assessed Valuation ¹	City	School	County	Estimated Ratio of Assessed Value to True Value (Per Cent) ²	Adjusted Tax Rate on 100% Basis of Assess- ment	Amount of Home- stead Ex- emption
16 New Orleans, La. ¹⁴	458,762	73	27	Jan. 1	Feb. 1	2	38.75	21.50	7.00	5.75	71	27.58	16
17 Cincinnati, O. ¹⁵	451,160	90	10	Jan. 1	Dec. 1	10	21.78	10.60	7.83	3.35	80	17.42	17
18 Newark, N. J. ¹⁶	442,337	77	23	Jan. 1	Feb. 1	4	46.10	28.88	8.84	5.36	100	46.10	18
19 Kansas City, Mo. ¹⁷	399,746	75	25	May 1	June 1	2	37.70	15.00	14.00	7.20	77 $\frac{1}{2}$	29.14	19
20 Seattle, Wash. ¹⁸	239,452,626	78	22	Jan. 1	Feb. 7	1	51.41	20.41	13.50	13.90	47	24.16	20
21 Indianapolis, Ind. ¹⁹	364,161	73	27	Jan. 1	May 2	2	32.00	12.50	10.00	8.00	75	24.00	21
22 Rochester, N. Y. ²⁰	513,247,930	73	—	Jan. 1	Jan. 1	4	37.05	17.61	9.73	9.71	88	32.60	22
23 Jersey City, N. J. ²¹	316,715	95	5	Feb. 1	Feb. 1	—	37.05	25.72	9.08	9.65	100	47.54	23
24 Louisville, Ky. ²²	423,098,464	73	27	May 1	May 1	—	29.51	16.90	6.70	4.60	85	25.42	24
25 Portland, Ore. ²³	269,917,550	90	10	Dec. 1	Mar. 16	4	57.00	25.10	14.50	15.30	55	31.35	25
Group III													
Population 100,000 to 300,000													
26 Houston, Texas ²⁴	292,352	83	17	Jan. 1	Jan. 1	—	46.60	20.00	12.00	9.70	47 $\frac{1}{2}$	21.90	26
27 Toledo, Ohio	290,718	91	9	Jan. 1	Apr. 15	2	19.00	8.13	8.02	2.85	85	16.15	27
28 Columbus, Ohio	290,564	70	21	Jan. 1	Apr. 30	2	18.00	6.90	8.10	3.00	80	14.40	28
29 Denver, Colo. ²⁵	287,851	70	30	Jan. 1	Mar. 1	2	38.50	18.10	15.90	N	80	30.80	29
30 Oakland, Cal. ²⁶	284,063	86	14	July 1	Dec. 5	2	52.30	19.70	16.30	16.30	50	26.15	30
31 St. Paul, Minn. ²⁷	271,066	82	18	Jan. 1	Nov. 31	2	37.32	41.11	22.02	25.30	38	37.32	31
32 Atlanta, Ga. ²⁸	270,366	72	28	Oct. 1	May 1	3	36.00	11.90	5.10	14.00	59 $\frac{1}{2}$	21.38	32
33 Dallas, Texas	260,475	83	17	Oct. 1	Nov. 30	2	37.00	11.50	7.50	5.00	52	19.24	33
34 Birmingham, Ala. ²⁹	259,678	74	26	Sept. 1	Jan. 1	—	36.00	11.50	6.50	11.50	35	12.60	34
35 Akron, Ohio ³⁰	255,040	88	12	Jan. 1	Feb. 15	2	30.90	14.08	11.64	2.76	80	26.27	35
36 Memphis, Tenn. ³¹	253,143	83	17	Oct. 1	Sept. 1	4	24.00	14.28	9.72	N	100	24.00	36
37 Providence, R. I. ³²	252,981	88	17	Oct. 1	May 1	5	40.40	19.00	10.00	6.50	65 $\frac{1}{2}$	26.31	37
38 San Antonio, Texas	231,542	77	23	June 1	Apr. 1	2	37.80	15.00	14.00	5.64	70	26.46	38
39 Omaha, Neb.	241,330,080	77	23	Jan. 1	Mar. 1	2	33.51	19.78	8.52	5.00	100	33.51	39
40 Syracuse, N. Y.	209,326	100	—	Jan. 1	Feb. 1	4							40

¹ For detailed explanation see page 595.

² In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

¹⁴New Orleans. Figure shown in county tax rate column is levee and flood reparation rate. City rate includes cost of county government—there is no county rate. The legal basis of assessment for city and school purposes is \$5 per cent; for state and levee purposes, 100 per cent of true value. It is estimated that assessments actually are 80 per cent of true value. Assessment ratio shown is the weighted average of these three figures. *Homestead exemption:* In Louisiana applies to state and parish taxes only, except that New Orleans (no other city) may also exempt homesteads from city taxes. Maximum exemption is \$2,000 of assessed value. In 1938 only \$1,000 of assessed value was exempt.

¹⁵Cincinnati. Assessed value includes \$80,000,000 of estimated tangible personal property.

¹⁶Newark. In New Jersey cities the state rate includes a school tax (Newark, \$2.81; Camden, \$2.92; Atlantic City, \$2.94; Kearny, \$2.89; Bloomfield, \$3.18; West New York, \$2.86; Plainfield, \$3.19) 90 per cent of which is returned to local school units. ¹⁷Kansas City. There is an additional tax rate (not included in rate reported) of \$2.50 on land only for city park maintenance.

¹⁸Seattle. The legal basis of assessment in Washington is 50 per cent. County rate includes \$1.00 for port of Seattle.

¹⁹Indianapolis. County rate includes \$3.10 for township poor relief.

²⁰Rochester. State rate included in county rate.

²¹Louisville. State rate is average of the 50-cent rate on realty and the \$5.00 rate on personalty.

²²Portland. City rate includes dock and port rates of \$2.41 and \$1.40 respectively.

²³Houston. County rate includes \$2.29 navigation district rate. *Homestead exemption:* First \$3,000 of assessed value of homesteads exempt from state tax only.

²⁴Denver. City rate includes cost of county government which is consolidated with city.

²⁵Oakland. County rate includes \$2.40 municipal utility district (water), \$5.00 regional park district, and \$1.00 mosquito abatement rate.

²⁶Atlanta. Assessed value and city and school rates are 1937 figures. *Homestead exemption:* First \$2,000 of assessed value of homesteads exempt from state, county, and school district rates except for debt service on debt incurred previous to act.

²⁷Birmingham, Mobile. The legal basis of assessment in Alabama is 60 per cent of true value. The rates shown are actual rates. *Homestead exemption:* First \$2,000 of assessed value of homesteads exempt from state tax only.

²⁸Akron. City rate includes Metropolitan Park Board rate of 12 cents.

²⁹Memphis. City rate includes \$1.10 for city parks and \$3.00 for library.

³⁰Providence. There is no county government in Rhode Island. Intangible personally (\$294,618,700 not included in assessed value) is taxed \$4.00 per thousand.

	Census 1930	Assessed Value	Per Cent Person-	City Fiscal Year Begins	Date City Taxes (or 1st install- ment) are Due	1st Date City Taxes are Sub- ject to Penalty	No. of Install- ments in Which City Taxes are Payable	Actual Tax Rate \$1,000 of Assessed Value	Levied Per Valuation	Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assess- ment	Amount of Home- stead Ex- emption
— Honolulu, Hawaii ³¹	202,923	150,614,431	73	27	Jan. 1	June 21	2	29.24	N	73	21.35	3,250 ³¹
41 Dayton, Ohio ³²	200,982	323,600,000	90	10	Jan. 1	Dec. 20	2	7.53	2.89	100	15.80	41
42 Worcester, Mass. ³³	195,311	271,283,600	93	80	Jan. 1	Oct. 1	2	27.75	8.65	100	38.60	42
43 Oklahoma City, Okla. ³⁴	185,389	116,041,501	80	20	July 1	Nov. 1	4	12.98	10.34	N	43.34	43
44 Richmond, Va. ³⁵	182,929	238,782,612	91	9	Feb. 1	June 15	2	14.50	7.67	N	19.14	44
45 Youngstown, Ohio ³⁶	170,002	269,576,510	89	11	Jan. 1	June 23	2	10.70	2.27	N	13.20	45
46 Grand Rapids, Mich. ³⁷	168,592	192,349,160	80	20	Apr. 1	July 1	1	15.06	8.63	2.00	21.33	46
47 Hartford, Conn. ³⁸	164,072	361,146,712	87	13	Apr. 1	Aug. 1	1	10.70	12.27	100	29.25	47
48 Fort Worth, Texas ³⁹	163,447	162,458,825	75	25	Oct. 1	Dec. 1	2	21.10	11.00	9.00	46.00	48
49 New Haven, Conn. ⁴⁰	162,655	309,031,532	85	15	Jan. 1	Jan. 1	3	16.15	10.16	4.6	27.50	49
50 Flint, Mich. ⁴¹	156,492	203,032,460	82	18	July 1	Aug. 1	1	11.10	9.12	3.30	23.52	50
51 Nashville, Tenn. ⁴²	153,866	165,001,826	71	29	Jan. 1	Aug. 1	1	18.50	3.50	7.50	20.30	51
52 Springfield, Mass. ⁴³	149,900	270,254,850	93	7	Jan. 1	July 1	2	22.19	10.36*	1.47	35.40	52
53 San Diego, Cal. ⁴⁴	147,995	143,685,335	85	15	July 1	Nov. 1	2	19.60	15.05	18.05	26.35	53
54 Bridgeport, Conn. ⁴⁵	146,716	243,971,415	82	18	Apr. 1	May 1	2	—	—	—	28.40	54
55 Scranton, Pa. ⁴⁶	143,433	104,466,147	100	—	Jan. 1	July 1	4	15.95	19.00	9.00	30.77	55
56 Des Moines, Ia. ⁴⁷	142,559	211,540,989	84	16	Apr. 1	Apr. 1	2	20.76	20.78	10.31	38.19	56
57 Long Beach, Cal. ⁴⁸	142,032	215,137,388	—	—	July 1	Dec. 1	2	12.23	17.17	21.20	53 ⁵⁷	57
58 Tulsa, Okla. ⁴⁹	141,258	106,232,985	76	24	July 1	Oct. 1	1	19.22	19.76	8.50	28.51	58
59 Salt Lake City, Utah ⁵⁰	140,267	131,471,585	77	23	Jan. 1	Nov. 30	1	15.00	13.50	5.90	47.52	59
60 Paterson, N. Y. ⁵¹	136,513	166,517,892	—	—	Jan. 1	Feb. 1	4	23.70	14.10	8.40	49.20	60
61 Yonkers, N. Y. ⁵²	134,646	166,517,892	100	—	Jan. 1	Mar. 31	4	19.84	10.79	5.55	36.35	61
62 Norfolk, Va. ⁵³	129,710	150,694,550	88	12	Jan. 1	Mar. 15	4	25.00	20.00	N	25.00	62
63 Jacksonville, Fla. ⁵⁴	127,549	87,376,460	87	13	Jan. 1	June 1	1	19.00	16.91	5.12	61.03	63
64 Albany, N. Y. ⁵⁵	127,412	236,013,413	97	3	Jan. 1	Apr. 1	1	27.80	6.66	2.20	34.66	64
65 Trenton, N. J. ⁵⁶	123,356	167,402,852	88	12	Jan. 1	Feb. 1	4	17.10	12.16	6.89	39.00	65
66 Kansas City, Kan. ⁵⁷	121,857	88,934,850	84	16	Jan. 1	June 21	2	20.10	19.50	2.14	54.90	66
67 Chattanooga, Tenn. ⁵⁸	119,798	111,252,127	91	9	Oct. 1	Mar. 1	1	20.00	—	16.60	37.40	67

*For detailed explanation see page 595.

† In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

³¹Honolulu. Rate shown is rate on real estate, rate on personal property is \$34.89 (\$25.47 adjusted). City rate includes cost of county government which is consolidated with city, and school rate. ³²Homestead exemption: First \$1,500 of assessed value plus one-half of value over \$1,500 and not over \$5,000. Maximum exemption is \$3,250.

³³Dayton. City rate includes \$1.65 conservancy rate and county rate includes \$0.03 for same purpose.

³⁴Oklahoma City. There is no state tax on property in Oklahoma. ³⁵Homestead exemption: First \$1,000 of assessed value of homesteads is exempt from tax rates for all units of government. Debt service charges on obligations incurred prior to this act are specifically allowed.

³⁶Richmond. The cities of Virginia are autonomous, having no county government. There is no state tax on property subject to local taxation in Virginia. The rates shown are levied on realty and tangible personality. Machinery assessed at \$10,984,695 (not included in valuation shown) is taxed \$6.00 per thousand for city and school purposes.

³⁷Hartford. City rate includes \$12 township rate.

³⁸Youngtown. City rate includes metropolitan district rate of \$85.

³⁹Fort Worth. City rate includes water conservation rate of \$3.60.

⁴⁰Bridgeport, Fall River. Only total rate reported. Breakdown not available. ⁴¹Scranton. City rate shown is average of the \$22.22 rate on land and the \$11.11 rate on buildings. County rate includes \$3.50 poor district rate.

⁴²Des Moines. Moneys and credits, \$33,696,982 (not included in valuation shown) are taxed at six-tenths of one per cent (6 mills). ⁴³Homestead exemption: Amount of homestead exemption is determined by the Board of Assessment and Review each year. The maximum exemption of 25 mills on the first \$2,500 of assessed value, or \$62.50 was allowed in 1938. This applies to the state and all local units of government.

⁴⁴Long Beach. County rate includes \$2.10 for flood control and \$4.00 for metropolitan water district.

⁴⁵Tulsa. Assessed value includes \$9,372,155 homestead values subject to debt service only.

⁴⁶Salt Lake City. ⁴⁷Homestead exemption: authorized but not effective. ⁴⁸Norfolk, Albany, Chattanooga, Knoxville. School rate is included in city rate.

⁴⁹Norfolk—assessed value includes \$1,300,000 machinery taxed at 1 per cent (10 mills). ⁵⁰Jacksonville. State rate includes \$1.50 for inland navigation and ship canal. Assessed value includes \$13,869,900 homestead values exempt from all taxes except debt service. ⁵¹Homestead exemption: The first \$5,000 of the assessed value of homesteads is exempt from state and all local taxes except debt service on obligations incurred prior to the passage of the amendment.

	Census 1930	Assessed Value	Per Cent Realty	City Fiscal Year Begins	Date City Taxes (or 1st install- ment) are Due	1st Date City Taxes are Sub- ject to Pen- alty	No. of Instal- ments in which City Taxes are Payable	Actual Tax Rate as Levied Per \$1,000 of Assessed Valuation ^a			Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on Basis of Assess- ment	Amount of Home- stead Ex- emption
68 Camden, N. J.	118,700	136,145,851	84	16	Jan. 1	Feb. 1	4	17.39	13.99	8.51	3.11	43.00	68
69 Erie, Pa.	115,967	126,110,865	100	21	Jan. 3	July 1	—	12.00	15.00	7.50	3.50	34.50	69
70 Spokane, Wash.	115,514	70,611,775	79	21	Jan. 31	Nov. 30	2	18.00	11.50	12.01	—	21.29	70
71 Fall River, Mass. ⁸⁰	115,274	92,635,850	90	10	Jan. 1	Nov. 2	2	—	—	—	—	40.90	71
72 Fort Wayne, Ind. ⁴⁶	114,946	149,500,000	75	25	Jan. 1	May 2	2	6.65	8.90	5.35	1.50	22.40	72
73 Elizabeth, N. J.	114,589	139,701,085	91	9	Jan. 1	Feb. 1	2	18.71	11.87	7.63	3.39	41.60	73
74 Cambridge, Mass.	113,643	173,010,660	93	12	Jan. 1	Nov. 2	4	27.82	8.91	1.25	3.32	41.60	74
75 New Bedford, Mass.	112,597	104,061,600	88	12	Jan. 1	Oct. 15	2	33.67	9.55	1.15	1.23	45.60	75
76 Reading, Pa.	111,171	145,447,075	100	—	Jan. 3	Nov. 2	10	11.00	13.00	6.50	N	30.50	76
77 Wichita, Kansas ⁴⁷	111,110	117,077,027	83	17	Jan. 1	Dec. 21	2	10.30	16.38	8.22	1.70	36.60	77
78 Miami, Fla.	110,637	155,511,130	88	12	Jan. 1	Nov. 1	2	28.35	9.32	7.46	1.06	46.19	78
79 Tacoma, Wash. ⁴⁸	106,817	49,070,510	78	22	Jan. 1	Feb. 15	—	25.49	13.00	14.73	N	57.21	79
80 Wilmington, Del. ⁴⁹	106,597	157,109,300	100	—	Jan. 1	June 1	2	14.50	1.50	N	—	16.00	80
81 Knoxville, Tenn. ⁴⁴	105,802	132,200,000	73	27	Jan. 1	May 1	12	26.50	25.65	3.65	N	41.80	81
82 Peoria, Ill. ⁵⁰	104,969	80,997,743	70	23	Jan. 1	June 1	2	4.80	8.80	2.70	N	46.80	82
83 Canton, Ohio ⁵¹	104,193	145,496,140	81	25	Jan. 1	Feb. 1	2	8.10	10.45	9.35	1.50	29.40	83
84 South Bend, Ind. ⁴⁶	103,908	114,522,120	95	25	Jan. 1	Dec. 20	2	28.53	9.66	1.32	4.39	43.90	84
85 Somerville, Mass.	102,421	78,272,730	78	22	Jan. 1	Oct. 1	10	12.50	10.50	7.70	4.90	35.60	85
86 El Paso, Texas	102,320	132,006,705	92	8	Jan. 1	Nov. 1	2	22.10	10.08	1.60	2.02	35.80	86
87 Lynn, Mass.	102,249	117,539,410	80	20	Jan. 1	May 1	2	10.40	10.90	11.80	1.50	34.60	87
88 Evansville, Ind. ⁴⁶	101,740	130,469,993	100	—	Jan. 1	June 2	2	27.34	9.04	9.27	—	45.65	88
89 Utica, N. Y. ⁵²	101,463	55,097,730	89	11	Jan. 1	June 1	4	42.02	37.90	19.70	9.77	109.39	89
90 Duluth, Minn. ⁴⁵	101,161	86,810,692	89	11	Jan. 1	June 1	4	33.00	24.00	46.50	3.63	107.13	90
91 Tampa, Fla.	100,426	136,712,140	61	39	Jan. 1	May 2	2	10.30	13.00	11.20	1.50	36.00	91
92 Gary, Ind. ⁴⁶	100,234	97,000,000	93	7	Jan. 1	Nov. 1	1	36.61	9.40	—	2.79	48.80	92
93 Lowell, Mass. ⁵³													93
Group IV													
Population 50,000 to 100,000													
94 Waterbury, Conn.	99,902	167,326,206	79	21	Jan. 1	June 1	2	18.50	11.23	5.50	.77	31.00	94
95 Schenectady, N. Y. ⁵⁵	95,692	153,840,465	100	—	Jan. 2	Jan. 17	4	16.10	10.00 ⁵⁶	6.14	.17	32.41	95
96 Sacramento, Cal. ⁵⁴	93,750	115,355,750	86	14	Jan. 1	Dec. 5	4	18.10	18.68	11.82	N	48.60	96
97 Allentown, Pa.	92,563	102,888,605	100	—	Jan. 3	Mar. 1	2	12.40	15.00	6.00	N	33.40	97
98 Bayonne, N. J.	88,979	140,014,244	93	17	Jan. 1	Feb. 2	4	25.59	13.52	9.67	3.09	51.87	98
99 Wilkes-Barre, Pa.	86,626	88,500,000	93	7	Jan. 3	July 1	4	13.00	16.57	9.70	N	39.20	99
100 Rockford, Ill. ⁵⁵	85,864	54,133,525	70	30	Jan. 1	June 1	2	24.70	20.90	4.81	N	50.10	100
101 Lawrence, Mass.	85,068	88,796,600	92	8	Jan. 1	June 1	2	23.42	12.84	1.81	1.53	39.60	101
102 Savannah, Ga.	85,024	60,463,971	78	22	Jan. 1	Nov. 1	4	23.00	10.00	12.50	5.00	50.50	102

† For detailed explanation see page 995.

§ In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

⁴⁶Fort Wayne, South Bend, Evansville, Gary, Elkhart, Kokomo. The following cities report township rates included in county rates: Fort Wayne, \$1.75; South Bend, \$3.75; Evansville, \$5.10; Gary, \$6.05; Elkhart, \$3.50; Kokomo, \$6.25.

⁴⁷Wichita. Assessed value does not include intangibles of about \$20,000,000 taxed at one-half of one cent (5 mills).

⁴⁸Tacoma. City rate includes \$2.00 park rate; county rate includes \$2.00 port rate.

⁴⁹Wilmington. Assessed value includes \$2,402,350 public utilities taxed at 4 per cent. There is no state tax on property in Delaware.

⁵⁰Peoria. City rate includes \$2.25 park rate, \$2.65 sanitary district rate, and \$3.00 town rate.

⁵¹Canton. City rate includes \$.10 township rate.

⁵²Lowell. County rate included with state rate.

⁵³Schenectady. School rate estimated on basis of appropriation.

⁵⁴Sacramento. County rate includes \$.30 municipal utility rate and \$.30 flood control rate.

⁵⁵Rockford. City rate includes \$4.50 sanitary district sewer, \$2.50 road and bridge, \$1.50 park, and \$3.40 town rate. County rate includes \$.39 forest preserve rate.

Census	Assessed Value	Per Cent Realty	City Fiscal Year Begins	Date City Taxes (or last installment) are Due	1st Date City Taxes Subject to Penalty	No. of Installments in which City Taxes are Payable	Actual Tax Rate as Levied Per \$1,000 of Assessed Valuation [†]	Estimated Ratio of Assessed Value to True Value (Per Cent) [†]	Adjusted Tax Rate on 100% Basis of Assessed Value	Amount of Home- stead Ex-emption
103 Charlotte, N. C. ⁵⁸	82,675	81	19 July	1 Oct.	3 Feb.	2	12.50	67	16.28	note ⁵⁹
104 Berkeley, Cal. ⁵⁷	89,580,593	—	—	Nov. 2	Dec. 5	—	11.75	53½	25.47	103
105 Altoona, Pa.	75,061,410	100	—	Mar. 1	July 1	—	10.00	62½	20.72	104
106 Little Rock, Ark.	Not reporting	—	—	—	—	—	14.00	70	25.73	105
107 St. Joseph, Mo.	83,863,880	73	27 Apr.	18 May	5 Sept.	1	12.25	9.00	36.75	106
108 Saginaw, Mich.	97,441,995	84	16 July	1 July	1 Aug.	1	10.65	3.25	19.87	107
109 Harrisburg, Pa. ⁵⁸	91,162,885	100	—	Jan. 1	July 1	8	13.50	16.00	35.50	108
110 Sioux City, Ia. ⁵⁸	85,914,362	80	20 Apr.	1 Jan.	1 Aug.	—	13.42	9.88	19.53	109
111 Lansing, Mich.	108,597,404	83	17 May	1 July	18 Oct.	1	16.30	7.00	26.30	2,500 ⁶⁰
112 Pawtucket, R. I. ⁵⁹	135,922,669	69	31 Jan.	1 Oct.	15 Oct.	4	21.00	N	21.00	110
113 Manchester, N. H. ⁵⁸	85,687,111	83	17 Jan.	1 Sept.	1 Dec.	1	31.39	6.13	39.75	111
114 Birmingham, N. Y. ⁵⁰	105,013,945	98	2 Jan.	1 Jan.	1 Feb.	1	21.78	12.29	40.68	112
115 Shreveport, La. ⁶¹	89,076,070	71	29 Jan.	1 Nov.	1 Jan.	2	14.25	15.50	29.75	113
116 Pasadena, Cal. ⁶²	127,495,314	91	9 July	1 Oct.	11 Feb.	1	11.90	17.85	49.45	1,000 ⁶⁴
117 Lincoln, Neb. ⁶³	97,159,735	77	23 Sept.	1 Oct.	1 Dec.	1	9.75	15.00	37.5	114
118 Huntington, W. Va. ⁵⁸	75,572	64	36 July	1 Oct.	1 Dec.	2	5.20	11.12	31.62	27.69
119 Niagara Falls, N. Y. ⁵⁰	149,899,783	67	—	Nov. 1	Dec. 1	2	16.40	9.99	22.01	80
120 Winston-Salem, N. C.	Incomplete	100	—	Jan. 1	Dec. 1	2	13.25	2.75	30.95	note ⁶⁵
121 East St. Louis, Ill.	74,347	Not reporting	—	Nov. 1	Mar. 3	2	—	—	—	118
122 Troy, N. Y.	73,729,238	97	3 Jan.	1 Jan.	1 Feb.	2	26.28	9.51	49.39	note ⁶⁶
123 Quincy, Mass.	72,763	Not reporting	—	Jan. 1	June 1	—	26.55	13.60	—	120
124 Springfield, Ill. ⁶⁴	49,935,110	82	12 Mar.	1 Jan.	1 June	2	28.23	17.00	49.35	80
125 Portland, Me.	76,820,775	78	22 Jan.	1 Aug.	1 Oct.	2	5.75	10.67	47.60	29.61
126 Lakewood, Ohio	92,989,720	91	9 Jan.	1 June	20 July	—	25.00	4.76	23.00	60
127 Roanoke, Va. ⁶⁰	61,997,568	77	23 Jan.	1 Mar.	31 July	2	—	—	75	42.84
128 Springfield, Ohio	84,211,640	75	25 Jan.	1 Dec.	20 Jan.	1	7.90	8.70	25.00	126
129 Mobile, Ala. ⁵⁷	40,862,256	78	22 Oct.	1 Dec.	20 Jan.	2	7.50	2.40	19.00	75
130 New Britain, Conn.	104,668,621	83	17 Jan.	1 Dec.	1 Jan.	1	12.79*	6.50	35.50	128
131 East Orange, N. J.	116,097,826	93	7 Apr.	1 May	15 Feb.	16	15.61	13.92*	28.50	2,000 ⁶⁷
132 Racine, Wis.	67,542	105	493,481	1 Feb.	1 Feb.	1	3.45	6.11	35.40	129
133 Johnstown, Pa.	77,257,670	92	8 Mar.	1 Mar.	1 Feb.	1	12.50	7.32	24.91	130
134 Cicero, Ill.	66,602	Not reporting	—	Jan. 1	July 1	4	12.50	15.00	33.50	35.40
135 Atlantic City, N. J.	97,256,869	91	9 Jan.	1 Feb.	1 Feb.	1	34.26	9.52	56.37	22.17
136 Montgomery, Ala.	66,079	Not reporting	—	Jan. 1	Feb. 1	4	—	—	—	26.80

[†] For detailed explanation see page 995.

§ In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

⁵⁸Charlotte. Homestead exemption: Authorized but enabling legislation not yet enacted. abatement rate, and \$50 regional utility district rate, \$10 mosquito

⁵⁹Berkeley. County rate includes \$2.40 municipal utility district rate, \$10 mosquito abatement rate, and \$50 regional park district rate.

⁶⁰St. Joseph, Mo. Assessed value does not include \$11,918,305 moneys and credits taxed at six-tenths of one per cent (6 mills). Rates shown are subject to review by Board of Assessors and Review.

⁶¹Pawtucket, Manchester, Roanoke, Holyoke, Cranston,

⁶²Shreveport. County rate includes school and state rates.

⁶³Pasadena. County rate includes \$2.50 metropolitan water rate and \$2.10 flood control rate.

⁶⁴Lincoln. City rate includes \$1.00 sanitary district rate.

⁶⁵Huntington. In West Virginia property in cities is divided into three classes. Class I property (intangible personal property) pays one-quarter of full rate. Class II (property occupied by owner for residential purposes) pays one-half the full rate; and Class IV (all real and personal property not in Class I or II) pays the full rate.

In Huntington the assessed value includes about \$10,500,000 Class I, \$20,000,000 Class II, and the remainder Class IV property. Rate shown is full rate applicable to Class II. Homestead exemption: Homesteads may be taxed at not more than 1 per cent of assessed value.

⁶⁶Springfield, Ill. City rate includes \$3.50 town, \$2.00 park, and \$4.05 sanitary district rate.

	Census 1930	Assessed Value	Per Cent Realty	City Fiscal Year Begins	Date City Taxes (or install- ment) are Due	1st Date City Taxes are Sub- ject to Penalty	No. of Instal- ments in which City Taxes are Payable	Actual Tax Rate as \$1,000 of Assessed Value [†]			Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assess- ment	Amount of Home- stead Ex- emption
137 Newton, Mass.	65,276	168,355,700	91	Jan. 1	July 1	Nov. 1	—	18.43	7.90	1.45	2.42	30.20	137
138 Covington, Ky. ^{as}	65,252	57,177,653	75	Jan. 1	June 1	July 1	2	12.90	11.40	6.00	1.62	31.92	138
139 Pontiac, Mich.	64,928	62,265,626	72	Jan. 1	July 1	Aug. 1	1	10.58	11.11	5.90	N	27.59	139
140 Hammond, Ind.	64,560	89,380,390	75	Jan. 1	May 2	May 3	2	11.00	15.50	9.80	1.50	37.80	140
141 Topeka, Kansas ^{as}	64,120	86,359,534	60	Jan. 1	Nov. 1	Dec. 21	2	17.11	17.87	6.96	1.82	43.76	141
142 Oak Park, Ill. ^{as}	63,982	43,653,860	77	Jan. 1	May 1	June 1	2	26.40	31.00	7.10	N	64.50	142
143 Brockton, Mass.	63,797	Not reporting	23	Jan. 1	May 1	June 1	2	25.29	34.25	5.60	N	65.14	143
144 Evanston, Ill. ^{as}	63,338	55,944,699	71	Jan. 1	May 1	June 1	1	20.13	13.59	8.59	3.09	45.40	144
145 Passaic, N. J.	62,959	73,156,700	68	Jan. 1	Feb. 1	Nov. 1	4	13.10	22.35	17.20	N	52.65	145
146 Terre Haute, Ind.	62,810	Not reporting	—	July 1	Nov. 1	Dec. 6	2	62.00	26.00	10.00	N	98.00	146
147 Glendale, Calif. ^{as}	62,736	59,366,900	—	July 1	Jan. 1	Oct. 16	2	4.19	3.22	3.25	6.9	13.35	147
148 Wheeling, S. C.	62,265	45,455	69	Jan. 1	Oct. 1	Dec. 1	2	14.09	12.55	6.77	19	33.60	148
149 Wheeling, W. Va. ^{as}	61,659	115,697,625	63	July 1	Jan. 1	Feb. 1	2	16.00	16.91	9.02	2.70	44.63	149
150 Mount Vernon, N. Y.	61,499	152,055,865	100	Jan. 1	Sept. 1	Oct. 1	2	20.00	14.00	9.00	5.00	48.00	150
151 Davenport, Ia.	60,751	55,655,964	91	Apr. 1	—	—	3	6.00	10.50	3.00	N	19.50	151
152 Charleston, W. Va.	60,408	Not reporting	72	Jan. 1	Apr. 1	Apr. 21	1	—	—	—	—	57.8	152
153 Augusta, Ga.	60,342	46,061,216	72	Jan. 1	Apr. 30	July 1	1	—	—	—	—	19.50	153
154 Lancaster, Pa.	59,949	89,738,150	100	Jan. 3	Oct. 1	Nov. 1	1	11.50	13.00	4.95	N	29.45	154
155 Medford, Mass. ⁿ	59,714	79,129,250	96	Jan. 1	Oct. 1	Nov. 1	—	21.81	13.09	9.63	3.06	47.59	155
156 Hoboken, N. J.	59,261	Not reporting	100	Jan. 3	Mar. 1	July 1	—	6.66	12.05	7.58	.21	26.50	156
157 Chester, Pa. N. J. ^{as}	59,164	54,772,870	100	Jan. 1	Feb. 1	Feb. 10	4	12.00	16.00	12.50	N	40.50	157
158 Union City, N. J.	58,659	65,304,712	95	Jan. 1	Jan. 1	Jan. 31	6	17.80	7.70	10.40	4.90	40.80	158
159 Malden, Mass.	58,086	Not reporting	91	Jan. 1	Jan. 1	Jan. 15	4	13.40	15.76	13.80	N	42.96	159
160 Madison, Wis.	57,899	120,943,260	92	Jan. 3	Mar. 1	Oct. 1	2	17.00	14.60	3.40	N	39.10	160
161 Bethlehem, Pa. ^{as}	57,862	61,865,437	84	Jan. 1	Oct. 1	Dec. 5	2	26.40	23.70	3.60	N	53.50	161
162 Beaumont, Texas	57,732	56,200,000 ^{as}	84	July 1	Nov. 1	Jan. 1	2	28.85	—	1.43	1.32	31.60	162
163 San Jose, Cal. ^{as}	57,651	55,780,875	74	Dec. 1	Oct. 1	Jan. 1	2	19.20	10.50	5.11	N	34.81	163
164 Springfield, Mo.	57,527	38,409,355	74	Jan. 1	Sept. 1	June 1	2	14.87	19.57	9.11	2.25	45.80	164
165 Decatur, Ill. ^{as}	57,510	32,322,460	81	May 1	May 1	June 1	2	28.85	—	1.43	1.32	31.60	165
166 Irvington, N. J.	56,733	Not reporting	96	Jan. 1	July 1	Nov. 1	2	19.20	10.50	5.11	N	34.81	166
167 Holyoke, Mass. ^{as}	56,537	74,360,510	69	Jan. 1	July 15	Aug. 21	2	14.87	19.57	9.11	2.25	45.80	167
168 Hamtramck, Mich.	56,268	71,769,115	69	Jan. 1	July 1	Aug. 21	2	14.87	19.57	9.11	2.25	45.80	168
169 Cedar Rapids, Ia.	56,097	54,300,080	88	Apr. 1	Jan. 1	Apr. 1	2	—	—	—	—	25.19	169

† For detailed explanation see page 595.

‡ In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

^{as}Covington. State rate is average of the 50-cent rate on realty and the \$5.00 rate on personalty.

^{as}Topeka. Assessed value includes \$15,369,524 intangible personal property taxed at one-half of one per cent (5 mills).

^{as}Oak Park. City rate includes \$2.50 park, \$6.40 sanitary district, \$4.00 driveway maintenance, and \$2.90 poor relief rates. County rate includes \$1.00 forest preserve and \$3.00 mosquito abatement rate.

^{as}Evanston. City rate includes sanitary district rate, forest preserve rate, mosquito abatement rate, and poor relief.

^{as}Glendale. There are three taxing districts in Glendale: No. 1 with a total rate of \$52.75; No. 2 as reported; and No. 3 with a total rate of \$52.55.

^{as}Wheeling. Rates shown are averages of rates on three classes of property. For explanation of classified rates see footnote 63.

^{as}Medford, Woonsocet, Everett, Mass., Arlington, Norwalk, Lewiston. Only total rate reported. Braekdon not available.

^{as}Union City. Union City is a consolidation of two towns, each having debt service obligations at the time of consolidation. The rate shown is for the town of Union section—the West Hoboken rate being \$47.54.

^{as}Bethlehem. Land is assessed at 100 per cent, buildings at 50 per cent of true value. Assessment ratio shown is resultant.

^{as}San Jose. Rate shown does not include rate of \$4.50 on land only for water conservation.

^{as}Decatur. City rate includes \$3.70 town, \$3.00 road and bridge, \$2.80 sanitary district, \$1.00 sanitarium, and \$2.90 park district rates.

	Census 1930	Assessed Value	Per Cent Realty	Per Cent Personalty	City Fiscal Year Begins	Date City Taxes (or 1st installment) are Due	1st Date City Taxes are Subject to Penalty	No. of Installments in which City Taxes are Payable	Actual Tax Rate as Levied Per \$1,000 of Assessed Valuation†	Adjusted Tax Rate on 100% Basis of Assessment	Estimated Ratio of Assessed Value to True Value (Per Cent)†	Amount of Homestead Exemption				
170 York, Pa.	55,254	48,626,330	100	—	Jan. 3	Mar. 1	July 1	1	9.50	18.00	8.00	N	35.50	60	21.30	170
171 Jackson, Mich.	55,187	67,465,320	88	12	July 1	July 20	July 21	5	9.31	8.73	4.40	N	22.44	100	22.44	171
172 Kalamazoo, Mich.	54,786	73,787,185	79	21	Jan. 1	July 1	Aug. 1	12	9.40	10.45	5.00	N	24.85	80	19.88	172
173 East Chicago, Ind.	54,784	Not reporting	—	—	Jan. 3	Mar. 1	July 1	—	12.00	15.00	10.00	N	37.00	60	22.20	173
174 McKeesport, Pa.	54,632	54,688,325	100	—	Jan. 1	Jan. 1	Jan. 31	4	13.60	10.40	5.80	N	29.80	86	25.63	174
175 New Rochelle, N. Y. ²⁰	54,000	192,318,459	96	4	Jan. 1	Apr. 15	Jan. 1	3	15.00	10.67	10.33	5.00	41.00	598	24.25	175
176 Macon, Ga.	53,829	38,000,000*	84	16	Jan. 1	Dec. 1	Jan. 1	1	11.10	2.10	7.50	N	20.70	75	15.53	176
177 Greensboro, N. C. ²⁰	53,569	90,730,648	71	29	July 1	Jan. 1	Jan. 1	1	16.00	6.00	9.00	4.90	35.90	608	21.62	177
178 Austin, Texas	53,120	53,453,025	82	18	Jan. 1	Jan. 1	July 1	1	14.40	11.60	5.08	N	31.08	100	31.08	178
179 Highland Park, Mich.	52,959	82,092,550	79	21	July 1	July 1	—	1	19.10	7.00	5.00	4.90	36.00	668	24.03	179
180 Galveston, Texas	52,938	60,292,555	—	—	Oct. 1	Sept. 1	Jan. 1	2	17.50	7.00	6.50	4.90	35.90	180	33.00	180
181 Waco, Texas	52,848	47,463,110	72	28	Oct. 1	Oct. 1	Nov. 30	1	17.00	17.20	8.80	N	43.00	50	21.50	181
182 Fresno, Calif.	52,513	54,952,400	85	15	July 1	Oct. 1	Dec. 5	2	7.71	6.65	2.29	N	16.65	70	11.66	182
183 Hamilton, Ohio ²⁰	52,176	64,275,509	82	18	Jan. 1	Oct. 20	Sept. 1	1	13.05	3.35	6.40	N	22.80	75	17.10	183
184 Durham, N. C. ²⁰	52,037	80,478,472	65	35	July 1	Oct. 3	Feb. 2	1	4.25	15.10	4.75	N	24.10	60	14.46	184
185 Columbia, S. C.	51,581	Not reporting	—	—	Jan. 1	—	—	2	14.58	10.15	5.07	N	29.80	100	29.80	185
186 Cleveland Heights, O.	50,945	104,552,370	93	7	Jan. 1	—	—	4	4.54	16.34	9.31	81	31.00	80	24.80	186
187 Port Arthur, Texas	50,902	Not reporting	—	—	July 1	July 1	Aug. 20	1	14.70	4.60	7.90	N	27.00	70	18.50	187
188 Dearborn, Mich.	50,358	181,849,736	60	40	Jan. 1	Jan. 1	Mar. 1	1	—	—	—	—	—	—	—	188
189 Kenosha, Wis.	50,262	70,049,510	90	10	Jan. 1	Jan. 1	Feb. 1	1	—	—	—	—	—	—	—	189
190 Asheville, N. C. ²⁰	50,193	54,880,567	84	16	July 1	Oct. 1	—	1	—	—	—	—	—	—	—	190
191 Pueblo, Colo.	50,096	Not reporting	—	—	—	—	—	1	—	—	—	—	—	—	—	191
Group V																
Population 30,000 to 50,000																
192 Pittsfield, Mass.	49,677	58,669,100	92	8	Jan. 1	July 1	Nov. 1	2	30.79	2.47	1.54	1.54	34.80	100	34.80	192
193 Woonsocket, R. I. ²⁷	49,376	72,382,400	76	24	Jan. 1	Oct. 10	Oct. 11	4	—	—	—	—	25.00	100	25.00	193
194 Haverhill, Mass.	48,710	51,722,825	89	11	Jan. 1	July 1	Oct. 1	—	31.63	8.39	1.04	1.34	42.40	100	42.40	194
195 New Castle, Pa.	48,624	79,082,250	95	13	Jan. 3	Feb. 1	July 1	1	11.50	16.00	8.00	N	35.50	928	32.70	195
196 Everett, Mass. ²⁸	48,424	71,118,575	87	13	Jan. 1	July 1	Nov. 1	2	—	—	—	—	38.20	100	38.20	196
197 Jackson, Miss. ²⁸	48,282	44,711,318	75	25	Oct. 1	Jan. 1	Feb. 1	2	16.50	8.00	13.15	6.00	43.65	60	26.19	197
198 Phoenix, Ariz.	48,118	65,000,000	—	—	July 1	Jan. 1	Nov. 1	2	17.60	12.90	21.20	7.70	59.40	85	50.49	198
199 Stockton, Cal.	47,993	66,031,445	—	—	Oct. 1	Feb. 1	Feb. 28	1	18.60	12.30	19.80	N	50.70	50	25.35	199
200 Brookline, Mass.	47,490	161,169,700	91	9	Jan. 1	Oct. 1	Nov. 1	2	14.81	4.59	6.60	3.50	23.50	100	23.50	200
201 Elmira, N. Y. ²⁰	47,397	49,774,231	89	11	Jan. 1	May 15	May 16	1	29.42	9.18	3.42	—	42.02	65	27.31	201
202 Bay City, Mich.	47,355	42,199,780	89	11	July 1	Aug. 1	Oct. 1	1	17.30	9.60	6.90	N	33.80	80	27.04	202
203 Berwyn, Ill. ²⁰	47,027	20,600,167	90	10	Jan. 1	June 1	June 2	2	31.40	36.10	6.60	N	74.10	37	27.42	203
204 Clifton, N. J.	46,875	Not reporting	—	—	—	—	—	2	—	—	—	—	—	—	—	204
205 Aurora, Ill. ²⁰	46,589	28,000,000*	—	—	Jan. 1	Apr. 1	June 1	2	24.80	23.80	4.80	N	53.40	33	17.62	205

† For detailed explanation see page 595.

§ In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

²⁰Hamilton. City rate includes \$3.74 for flood protection.

²⁷Woonsocket. Assessed value includes approximately \$3,000,000 intangible personality on which the tax rate is four-tenths of one per cent (4 mills).

²⁸Jackson, Miss. Homestead exemption: For 1937-38 fiscal year, \$5,000 of assessed value exempt from state tax only.

²⁹Berwyn. City rate includes \$3.00 township poor relief, \$6.40 sanitary district, and \$4.60 park district rates. County rate includes \$1.00 forest preserve rate. There are three school districts in city: No. 100 (\$20.00 rate), No. 98 (\$20.06 rate), and No. 201 (\$20.10 rate). District No. 98 rate is used.

³⁰Aurora. City rate includes \$3.90 town, \$2.00 road and bridge, and \$4.00 sanitary district rates. County rate includes \$4.40 forest preserve rate. School rate shown is for west side. East side school rate is \$20.00.

Census 1930	Assessed Value	Per Cent Realty	Personalty	City Fiscal Year Begins	Date City Taxes (or installment) are Due	1st Date City Taxes are Sub-ject to Penalty	No. of Instal-ments in which City Taxes are Payable	Actual Tax Rate as Levied Per \$1,000 of Assessed Valuation ^a			Estimated Ratio of Assessed Value to True Value (Per Cent) [†]	Adjusted Tax Rate on 100% Basis of Assessed Value	Amount of Home-stead Ex-emption
206 Muncie, Ind.	46,548	Not reporting	83	17	Nov. 7	Sept. 1	1	21.06	6.00	.20	100	27.80	206
207 Stamford, Conn.	46,346	112,309,583	83	17	Nov. 7	Sept. 1	1	21.06	6.00	.20	100	27.80	207
208 Waterloo, Ia. ^a	46,191	29,780,538	82	18	Apr. 1	Mar. 1	2	14.20	21.64	7.51	60	27.63	208
209 Chelsea, Mass.	45,816	46,768,610	91	9	Jan. 1	July 1	2	30.96	10.16	N	100	46.20	209
210 Lexington, Ky. ^a	45,736	64,628,157	68	32	Jan. 1	June 1	2	18.20	7.80	7.00	75	26.21	210
211 Williamsport, Pa.	45,729	29,486,080	100	—	Jan. 3	Jan. 1	—	13.50	22.00	13.00	N	48.50	211
212 Portsmouth, Va. ^a	45,704	32,269,202	98	4	Jan. 1	June 1	2	25.00	N	N	54	26.50	212
213 Jamestown, N. Y. ^a	45,155	57,046,000	98	4	Jan. 1	June 6	1	14.82	12.84	7.21	70	17.50	213
214 Plain, Ohio	44,512	71,324,337	86	14	Jan. 1	Jan. 1	2	5.83	6.63	1.92	80	27.90	214
215 Chicopee, Mass. ^a	43,950	39,032,410	93	7	Jan. 1	Jan. 1	—	38.95	—	—	100	11.52	215
216 Wichita Falls, Texas	43,690	30,722,050	93	7	Oct. 1	Oct. 1	2	22.00	11.50	6.65	160	42.20	216
217 Battle Creek, Mich.	43,573	59,326,080	93	7	Oct. 1	July 5	1	10.40	7.00	3.00	N	29.83	217
218 Perth Amboy, N. J.	43,516	47,208,034	81	—	July 1	Feb. 1	4	24.95	15.30	11.25	100	20.40	218
219 Salem, Mass.	43,353	54,740,680	81	—	Jan. 1	July 15	1	20.76	9.60	2.04	100	27.35	219
220 Amarillo, Texas	43,132	51,886,540	78	11	Jan. 1	Oct. 1	2	11.20	8.90	6.20	67	34.00	220
221 Columbus, Ga.	43,131	39,149,383	74	26	Jan. 1	Aug. 1	—	13.00	6.00	8.00	500	21.09	221
222 Joliet, Ill. ^a	42,993	20,041,510	80	20	Jan. 1	Jan. 1	2	26.40	35.00	8.40	30	18.88	222
223 Cranston, R. I. ^a	42,911	74,088,930	78	22	Oct. 1	Oct. 10	4	23.00	—	N	90	20.94	223
224 Portsmouth, Ohio	42,560	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	224
225 Lima, Ohio	42,287	51,969,080	90	10	Jan. 1	Dec. 20	2	10.75	7.70	4.30	70	15.93	225
226 Council Bluffs, Ia.	42,048	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	226
227 Montclair, N. J.	42,017	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	227
228 Dubuque, Ia. ^a	41,679	33,451,593	79	21	Apr. 1	Mar. 1	2	19.51	16.83	8.20	270	47.24	228
229 Muskegon, Mich.	41,390	49,019,826	81	19	Jan. 1	Dec. 1	2	8.89	10.61	3.90	N	23.40	229
230 Warren, Ohio	41,062	53,530,403	82	18	Jan. 1	Dec. 20	2	6.10	8.40	3.90	100	23.40	230
231 Kearny, N. J. ^a	40,716	76,933,188	84	16	Jan. 1	Feb. 1	4	24.89	9.78	3.09	65	24.54	231
232 Fitchburg, Mass.	40,692	48,221,850	84	16	Jan. 1	July 1	2	28.82	11.88	1.80	100	37.76	232
233 Lynchburg, Va.	40,661	39,697,330	91	9	Jan. 1	July 18	3	12.00	11.50	N	70	44.00	233
234 St. Petersburg, Fla. ^a	40,425	68,959,164	93	7	Oct. 1	Apr. 1	1	22.25	27.00	64.50	30	16.45	234
235 Poughkeepsie, N. Y. ^a	40,288	52,436,135	96	4	Jan. 1	Jan. 15	1	22.67	7.96	7.24	30	35.72	235
236 Ogden, Utah	40,272	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	236
237 Oskosh, Wis.	40,108	42,224,725	88	12	Jan. 1	Jan. 1	2	14.38*	15.42*	5.60*	90	32.40	237
238 Anderson, Ind.	39,804	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	238
239 East Cleveland, O.	39,667	53,132,760	88	12	Jan. 1	Dec. 20	2	6.75	13.50	4.75	N	15.00	239
240 La Crosse, Wis.	39,614	47,844,351	83	12	Jan. 1	Mar. 1	3	4.84	11.47	14.46	23	27.28	240
241 Butte, Mont. ^a	39,612	51,112,870	56	44	July 1	Nov. 30	2	40.90	30.50	26.59	4.83	102.82	241
242 Sheboygan, Wis.	39,251	47,750,220	88	12	Jan. 1	Jan. 2	2	21.93	10.08	5.21	.24	37.46	242
243 Waltham, Mass.	39,247	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	Not reporting	243

† For detailed explanation see page 595.

* In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

^aWaterloo, Rate shown is for East Side. West Side rate is \$48.75 (\$29.25 adjusted). Assessed value does not include \$5,647,280 moneys and credits taxed at 6 mills.

^bLexington. State rate shown is weighted average of the \$.50 rate on realty and the \$.50 rate on personalty.

^cJoliet. City rate includes \$.90 township, \$.30 road and bridge, and \$.40 park district rates. County rate includes forest preserve rate of \$.30.

^dDubuque. Assessed value does not include \$8,086,407 moneys and credits taxed at 6 mills.

^eButte. In Montana property is assessed at full cash value but taxed at only a fraction of assessed value. Household goods, autos, etc., are taxed at 20 per cent; real estate at 30 per cent; live stock, merchandise, furniture and fixtures, etc., at 33 1/3 per cent; moneys, stocks, and bonds at 7 per cent; and net proceeds of mines at 100 per cent of assessed or true value. The total "taxable" value is approximately 30 per cent of true value.

Census 1930	Assessed Value	Per Cent Person- alty	City Fiscal Begins	Date City Taxes (or last install- ment) are Due	1st Date City Taxes are Sub- ject to Pen- alty	No. of Install- ments in which City Taxes are Payable	Actual Tax \$1,000 of Assessed Valuation	Rate as Levied Per County State	Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assess- ment	Amount of Home- stead Ex- emption	
244 Quincy, Ill. ⁸⁶	39,241	68	32	May 1	June 1	2	16.00	15.00	4.10	N	35.10	244
245 Meriden, Conn.	38,481	83	17	Jan. 1	Jan. 5	2	15.80	9.90	6.40	1.40	27.50	245
246 Bloomfield, N. J.	38,077	89	11	Jan. 1	Feb. 2	4	12.85	13.14	6.02	3.39	35.40	246
247 Rock Island, Ill. ⁸⁷	37,953	77	23	Apr. 1	June 1	2	17.30	25.80	6.80	N	49.90	247
248 Cumberland, Md.	37,747	50,668	510	77	23	Apr. 1	11.00	25.80	6.80	N	28.30	248
249 San Bernardino, Cal.	37,481	—	—	July 1	July 16	1	10.45	15.50	13.95	N	39.90	249
250 Green Bay, Wis. ⁸⁸	37,415	89	11	Jan. 1	Dec. 5	2	14.04	11.96	5.76	24	32.00	250
251 Raleigh, N. C.	Not reporting	—	—	Feb. 28	Mar. 1	—	—	—	—	—	—	251
252 Taunton, Mass.	37,355	Not reporting	—	—	—	—	—	—	—	—	—	252
253 Santa Monica, Cal. ⁸⁹	37,146	47,334	865	80	20	July 1	19.50	17.57	21.20	N	58.27	253
254 West New York, N. J.	37,107	41,088	508	82	20	Jan. 1	22.60	18.50	9.58	3.12	53.80	254
255 Hazleton, Pa.	36,765	29,289	408	92	8	Jan. 1	14.50	26.00	9.70	N	50.20	255
256 Danville, Ill. ⁹⁰	36,765	21,224	587	75	25	May 1	24.00	22.60	4.50	N	51.10	256
257 High Point, N. C. ⁹¹	36,745	39,578	607	74	26	July 1	13.35	4.47	4.73	22.55	75	257
258 Auburn, N. Y. ⁹²	36,652	51,590	590	97	3	July 1	15.31	6.14	4.30	—	25.75	258
259 Zanesville, Ohio	36,440	Not reporting	—	—	—	—	—	—	—	—	—	259
260 Superior, Wis.	36,113	40,104	596	93	7	Oct. 1	5.37	17.15	18.45	23	41.20	260
261 Arlington, Mass. ⁹³	36,094	57,961	150	96	4	Jan. 1	—	—	—	—	35.20	261
262 Norwalk, Conn. ⁹⁴	36,019	69,214	074	90	10	Sept. 1	—	—	—	—	23.10	262
263 Elgin, Ill. ⁹⁵	35,929	21,790	180	76	24	Jan. 1	20.70	19.90	4.80	N	45.40	263
264 Norristown, Pa.	35,853	22,953	985	100	—	Oct. 1	15.00	25.00	3.00	N	43.00	264
265 White Plains, N. Y. ⁹⁶	35,830	152,676	400	97	3	Jan. 1	12.25	10.08	5.50	—	27.83	265
266 Revere, Mass.	35,680	Not reporting	—	—	—	—	—	—	—	—	—	266
267 Steubenville, Ohio	35,422	53,584	750	90	10	Jan. 1	4.40	7.50	2.30	N	14.20	267
268 Orange, N. J.	35,399	44,653	160	93	7	Jan. 1	22.05	10.79	6.11	3.45	42.40	268
269 Alameda, Cal.	35,033	31,538	450	89	11	July 1	16.80	18.50	16.30	N	51.60	269
270 Lewiston, Me. ⁹⁷	34,948	31,581	870	86	14	Mar. 1	38.00	—	—	—	38.00	270
271 Watertown, Mass.	34,913	51,525	370	93	7	Jan. 1	21.35	8.28	1.21	3.66	34.50	271
272 Amstendam, N. Y. ⁹⁸	34,817	27,650	263	96	4	Jan. 1	18.30	22.30	14.90	—	35.50	272
273 West Allis, Wis.	34,671	53,821	120	79	21	Jan. 1	12.72	14.26	10.69	25	37.92	273
274 New Brunswick, N. J.	34,555	41,283	428	93	10	Jan. 1	20.00	12.40	11.20	3.20	46.80	274
275 Easton, Pa.	34,468	42,907	778	90	10	Jan. 1	12.00	14.50	12.50	N	39.00	275
276 Plainfield, N. J.	34,422	60,242	944	100	—	Jan. 1	18.33	13.10	7.66	3.41	42.50	276
277 Newport News, Va.	34,417	34,902	622	86	14	Jan. 1	15.72	14.40	13.00	N	30.12	277
278 Santa Barbara, Cal.	33,613	46,929	355	92	8	Dec. 6	14.40	14.00	13.00	N	41.40	278
279 Paducah, Ky.	33,541	18,342	510	85	15	Jan. 1	18.20	11.30	2.60	N	15.00	279
280 Mansfield, Ohio	33,525	51,785	500	80	20	Jan. 1	5.00	7.40	6.70	1.50	41.50	280
281 Joplin, Mo.	33,454	21,398	519	79	21	Jan. 1	16.00	17.30	6.70	1.50	20.75	281
282 Waukegan, Ill. ⁹⁹	33,499	17,046	497	77	23	May 1	29.20	38.80	5.50	N	73.50	282

† For detailed explanation see page 595.

§ In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

⁸⁰Quincy. City rate includes \$3.20 town tax.

⁸⁷Rock Island. City tax includes \$3.40 township and \$1.20 street and bridge tax.

⁸⁸San Bernardino. City rate includes \$3.40 township and \$1.20 street and bridge tax. There are two townships in the city. The Rock Island Township rates are shown.

⁸⁹Santa Monica. City rate includes \$6.10, giving a total rate of \$51.40 (\$16.96 adjusted).

⁹⁰Green Bay. City rate includes \$1.75 metropolitan sewerage district rate.

⁹¹Santa Monica. County rate includes \$4.00 metropolitan water rate and \$2.10 flood control rate.

⁹²Danville. City rate includes \$3.30 road and bridge, \$2.50 drainage, \$3.80 town, and \$3.30 hard road rates.

⁹³Elgin. City rate includes \$5.80 township and \$4.40 sanitary district rates.

⁹⁴Waukegan. City rate includes \$6.50 township, \$4.50 park, and \$2.20 sanitary district rates.

	Census 1930	Assessed Value	Per Cent Person- ality	City Fiscal Year Begins	Date City Taxes (or 1st install- ment) are Due	1st Date City Taxes are Sub- ject to Penalty	No. of Install- ments in which City Taxes are Payable	Actual Tax Rate as Assessed \$1,000 of City School County State Valuation Total	Estimated Ratio of Assessed Value to True Value (Per Cent) [†]	Adjusted Tax Rate on 100% Basis of Assess- ment	Amount of Home- stead Ex- emption						
283	Norwood, Ohio	33,411	Not reporting	75	25	1	2	15.73	16.66	5.13	2.00	39.52	70	27.66	5,000 ^{aa}	283	
284	Sioux Falls, S. Dak. ^{as}	33,362	42,225,347	75	23	Jan. 1	May 1	13.50	22.57	7.77	4.50	48.34	75	36.26	284	284	
285	Colorado Springs, Colo.	33,237	28,255,000	77	23	Mar. 1	May 1	6.20	9.20	8.40	1.50	23.20	70	17.71	285	285	
286	Elkhart, Ind. ^{as}	32,949	37,643,236	75	25	Jan. 1	May 3	13.25	12.60	11.85	1.50	39.20	100	39.20	286	286	
287	Kokomo, Ind. ^{as}	32,843	28,005,540	65	35	Jan. 1	May 2	16.65	7.65	8.00	4.90	37.20	57 ^g	21.20	3,000 ^{aa}	287	287
288	Laredo, Texas	32,618	16,240,265	—	—	May 1	Nov. 1	22.28	13.17	14.26	7.70	57.41	55	31.58	288	288	
289	Tucson, Ariz.	32,506	23,928,380	90	10	July 1	Nov. 7	17.88	11.62	9.44	—	38.94	70	27.26	289	289	
290	Richmond, Ind.	32,493	Not reporting	97	3	Jan. 1	May 1	15.30	26.30	6.80	8.15	—	33.95	30.56	290	290	
291	Rome, N. Y. ^{as}	32,338	29,086,197	75	25	Apr. 1	June 1	15.50	10.30	8.15	—	33.95	90	30.56	291	291	
292	Wilmingon, N. C.	32,270	Not reporting	75	25	Apr. 1	June 1	14.00	13.00	12.00	4.00	43.00	75	32.25	292	292	
293	Moline, Ill.	32,236	22,301,264	75	25	July 1	Aug. 2	21.00	11.50	32.00	3.63	68.13	74 ^g	50.41	5,000 ^{as}	293	293
294	Watertown, N. Y.	32,205	46,785,790	100	—	—	—	6.80	18.00	9.00	8.60	42.40	25	10.60	294	294	
295	Muskogee, Okla.	32,026	Not reporting	82	18	July 1	Feb. 1	14.48	10.25	7.84	N	32.57	100	32.57	295	295	
296	Meridian, Miss.	31,954	22,800,398	82	18	Oct. 1	Feb. 2	13.20	9.89	11.86	—	34.95	83	29.01	296	296	
297	Pensacola, Fla.	31,579	26,221,092	78	22	Nov. 1	Feb. 1	22.00	18.00	5.00	N	45.00	50	22.50	297	297	
298	Nashua, N. H.	31,463	Not reporting	66	34	Jan. 1	Apr. 1	22.00	18.00	5.00	N	45.00	50	22.50	298	298	
299	Fort Smith, Ark. ^{as}	31,429	15,740,000	88	12	Apr. 1	Aug. 1	23.82	10.00	12.98	3.66	50.46	43	21.70	299	299	
300	Port Huron, Mich.	31,361	32,628,820	88	12	May 1	Aug. 1	5.24	8.46	2.80	N	16.50	80	13.20	300	300	
301	Newburgh, N. Y. ^{as}	31,275	40,550,500	96	4	Jan. 1	Mar. 21	25.80	20.00	11.50	3.50	60.80	44	26.75	301	301	
302	Marion, Ohio	31,084	Not reporting	74	26	Apr. 30	June 1	15.90	21.70	13.40	N	51.00	50	25.50	302	302	
303	Bloomington, Ill. ^{as}	30,930	19,312,048	76	26	Apr. 1	June 1	18.00	22.50	6.30	N	46.80	50	23.40	303	303	
304	Hagerstown, Md. ^{as}	30,861	39,600,000	74	24	Apr. 1	June 1	8.50	—	11.00	2.30	21.80	100	21.80	304	304	
305	Bellingham, Wash.	30,823	13,134,944	74	26	Jan. 1	Mar. 1	23.82	10.00	12.98	3.66	50.46	43	21.70	305	305	
306	Baton Rouge, La.	30,729	Not reporting	89	11	Jan. 1	Dec. 1	5.24	8.46	2.80	N	16.50	80	13.20	306	306	
307	Newark, Ohio	30,596	31,526,190	70	30	Jan. 1	Dec. 31	25.80	20.00	11.50	3.50	60.80	44	26.75	307	307	
308	Everett, Wash. ^{as}	30,567	14,606,464	70	30	Jan. 1	Feb. 15	15.90	21.70	13.40	N	51.00	50	25.50	308	308	
309	Santa Ana, Cal. ^{as}	30,322	24,448,103	—	—	July 1	Dec. 5	18.00	22.50	6.30	N	46.80	50	23.40	309	309	
310	Alton, Ill. ^{as}	30,151	16,591,300	71	29	Apr. 1	June 1	18.00	22.50	6.30	N	46.80	50	23.40	310	310	

[†] For detailed explanation see page 595.

\$ In some cities the assessed value for city purposes is a different percentage of true value than the county assessment. In such cities the assessment ratio shown is the weighted average of the several ratios of assessment.

^{aa}Sloux Falls. Homestead exemption: First \$5,000 of assessed value exempt from state tax only.

^{as}Fort Smith. Legal basis of assessment is 50 per cent of true value. Homestead exemption: First \$1,000 of assessed value exempt from state tax only.

^gBloomington. City rate includes \$4.50 sanitary district and \$3.00 township rates.

^hHagerstown. School rate included in county tax.

ⁱEverett, Washington. City rate includes \$3.00 port district rate.

^{ja}Santa Ana. County rate includes \$4.00 metropolitan water and \$1.30 flood control and harbor rates.

^{kb}Alton. City rate includes \$3.50 town tax.

Canadian Cities	Population	Assessed Value	Per Cent Realty	Per Cent Personalty	City Fiscal Year Begins	Date City Taxes (or Installment) are Due	1st Date City Taxes are Subject to Penalty	No. of Installments in which City Taxes are Payable	Actual Tax Rate as Levied Per \$1,000 of Assessed Valuation [†]	City	Province	Total	Estimated Ratio of Assessed True Value (Per Cent) [†]	Adjusted Tax Rate on 100% Basis of Assessment
1 Montreal, Que. ¹⁰⁰	818,577	919,928,481	100	—	May 1	Oct. 1	Oct. 2	1	17.02	N		29.02	100	29.02
2 Toronto, Ont. ¹⁰¹	626,674	969,686,055	100	—	Jan. 1	May 20	June 20	3	24.50	N		36.05	100	36.05
3 Vancouver, B. C.	246,593	214,081,251	100	—	Jan. 1	Jan. 1	Dec. 31	1	33.60	N		48.63	70†	34.32
4 Winnipeg, Man. ¹⁰²	218,785	199,271,230	100	—	Jan. 1	May 1	Oct. 1	1	17.87	N		34.50	75†	26.17
5 Hamilton, Ont. ¹⁰³	153,507	165,620,278	100	—	Jan. 1	Apr. 1	Apr. 16	4	24.16	N		37.75	100	37.75
6 Quebec, Que.	130,594	117,242,085	100	—	May 1	Aug. 1	Nov. 1	—	26.80	N		37.30	80	29.84
7 Ottawa, Ont. ¹⁰⁴	126,872	153,300,542	100	—	Jan. 1	June 18	June 1	2	27.53	N		39.00	100	39.00
8 Windsor, Ont. ¹⁰⁵	102,839	93,466,300	100	—	Jan. 1	June 1	June 25	5	24.20	N		40.00	100	40.00
9 Edmonton, Alta.	83,761	55,740,662	100	—	Jan. 1	June 24	June 17	4	25.50	N		50.00	63†	31.50
10 Vancouver, B. C.	79,197	53,481,590	100	—	Jan. 1	May 16	June 19	—	27.00	N		34.00	68†	37.08
11 London, Ont. ¹⁰⁶	71,148	82,130,816	100	—	Jan. 1	June 18	June 19	3	24.96	N		39.50	93	37.31
12 Verdun, Que. ¹⁰⁷	60,745	42,317,950	100	—	Jan. 1	Jan. 1	Jan. 2	1	15.00	N		25.00	80	20.00
13 Halifax, N. S. ¹⁰⁸	59,275	59,567,400	100	—	May 1	May 1	Sept. 1	2	24.70	N		37.10	100	37.10
14 Regina, Sask. ¹⁰⁹	53,209	41,233,870	100	—	Jan. 1	June 30	Jan. 1	2	20.49	N		50.00	65†	32.50
15 St. John, N. B. ¹⁰⁸	47,514	45,172,950	100	—	Jan. 1	Apr. 14	Oct. 14	5	13.20	N		40.60	100	40.60
16 Saskatoon, Sask. ¹⁰⁶	43,291	32,376,331	100	—	Jan. 1	July 15	Jan. 1	2	18.70	N		45.40	75†	34.09
17 Victoria, B. C.	39,082	45,378,282	100	—	Jan. 1	Aug. 15	Oct. 4	—	30.56	N		42.00	78†	33.12
18 Three Rivers, Que.	35,450	Not reporting	100	—										18

† For detailed explanation see page 595.

¹⁰⁰Vancouver, Winnipeg, Calgary, Edmonton, Regina, Saskatoon, Victoria. Land is assessed at 100 per cent and improvements at the following figures: Vancouver, 50 per cent; Winnipeg, 66 2/3 per cent; Calgary, 50 per cent; Edmonton, 55 per cent; Regina, 30 per cent; Saskatoon, 60 per cent; Victoria, 65 per cent. Assessment ratios shown are the weighted averages.

¹⁰¹Montreal. School rate shown is neutral rate. Catholic rate is \$7.00 and Protestant rate, \$10.00.

¹⁰²Verdun. School rate shown is for public schools. Separate school rate is \$15.45. Assessed value includes \$71,620,184 liable for school tax only and 11.6 per cent business and income.

¹⁰³Winnipeg. Assessed value includes 4.5 per cent business tax assessments taxed at various rates ranging from 6 per cent to 20 per cent.

¹⁰⁴Hamilton. Assessed value includes 9 per cent business and income. School rate shown is public school rate.

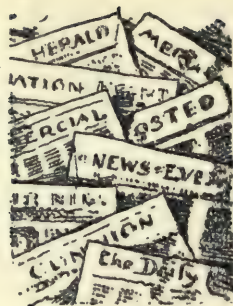
¹⁰⁵Ottawa. Assessed value includes 9 per cent business and income. School rate shown is for public schools. Separate school rate is \$14.80 (total rate, \$46.28).

¹⁰⁶Windsor, London, Halifax, St. John, Saskatoon. Realty valuation includes 12 per cent business and income in Windsor, 10 per cent in London, 18 per cent in Halifax, 27 per cent in St. John, and 1.2 per cent in Saskatoon.

¹⁰⁷Verdun. School rate shown is Protestant rate. Catholic school rate is \$8.00 and Neutral \$12.00. Realty assessment includes 2.8 per cent business.

¹⁰⁸Regina. School rate shown is for public schools. Separate school rate is \$21.00 (total rate \$36.90).

Recent News Reviewed



November Election Results

Council-Manager Plan Votes

By H. M. OLMSTED

Yonkers, New York, (134,646 population) at the November 8th election adopted the council-manager plan, with proportional representation, by a vote of 24,072 to 21,169. This was the third vote on the subject in the last two years.

The successful vote in Yonkers brings the total of manager cities to 477, of which 456 are in this country, sixteen in Canada, four in Ireland, and one in Puerto Rico. In addition, seven counties also operate under the manager plan.

The four Massachusetts cities which voted on the manager plan failed to adopt it. The votes by which it was defeated were (unofficially): Cambridge, 21,722 to 19,955; Quincy, 17,029 to 11,598; Chicopee, 7,843 to 7,192; and Northampton, 4,733 to 3,499. Cambridge, Quincy, and Northampton voted on Plan E charters, including both the city manager plan and proportional representation; Chicopee voted on Plan D, providing for the manager plan only.

Greenwood, S. C., (11,020 population) favored a council-manager plan by an advisory vote of 623 to 115, but will require the approval of the state legislature before the plan can be put into effect.

Paducah, Kentucky, (33,541) voted to retain its manager government, while Ashland, Kentucky, (29,074) decided to abandon it (4,303 to 3,785).

Traverse City, Michigan, (12,539), elected an able commission of nine men to draft a

charter. An active campaign for charter revision and the manager plan was conducted and there was little opposition at the election.

Battle Creek, Michigan, (43,757) defeated a proposal for the election of a charter commission, which would have been expected to draft a manager charter.

South Euclid, Ohio, (4,399) voted in favor of a charter commission, by 1,183 to 520. The manager plan is expected to have substantial support.

Jackson, Michigan, (55,187), voted for charter revision, 6,785 to 5,178, and elected a charter commission. Jackson has the manager plan under a twenty-four-year-old charter which proponents of charter revision feel needs modernization.

Hutchinson, Kansas, (27,085) defeated a council-manager proposal by a two-to-one vote. Overconfidence and inadequate efforts to explain the plan, as against active political opposition, especially just prior to the election, are reported to have been largely responsible for the defeat. An educational campaign is expected to be conducted in preparation for another election on the issue.

In Knoxville, Tennessee, (105,802) which was deprived of its city-manager plan by action of the state legislature a year ago, Mayor Mynatt has announced that he will submit a bill to re-establish the manager plan; and it is expected that the bill will later come to the city council for action. The legislative candidates at the recent election were reported as pledging their support of the plan if the council favors it.

The borough council of Boyertown, Pennsylvania, on November 7th adopted the manager plan by ordinance, in a close vote, making their borough the third in Berks County to

adopt the plan. The manager must be an engineer and a resident.

In the town of Norwood, Massachusetts, the selectmen who dismissed the town manager were recalled by the voters in October and a new board favorable to the town manager was elected.

In Washington, D. C., city-manager government was advocated by Rufus S. Lusk, president of the Washington Taxpayers' Association, in an address before the American Business Club.

The New York Amendments¹

The voters of the state of New York showed a high degree of intelligent discrimination in defeating the three proposed constitutional amendments that would have abolished proportional representation, established an inequitable reapportionment plan, and added to the power of the courts to hamper administrative agencies, while they approved the labor "bill of rights," social welfare, transit financing for unification, housing, grade crossing elimination, and the general or "omnibus" amendments. The last two mentioned are subject to considerable criticism; but the three defeated amendments were particularly objectionable.

Merit System Gains

Adoption of new civil service provisions in eight cities and one county, and extension of the merit system in three cities at the November elections were reported today by the Civil Service Assembly of the United States and Canada.

Six New Jersey cities voted to place all municipal employees under civil service. Monmouth County, N. J., also made the same provision. However, eleven New Jersey cities rejected civil service proposals at the polls; according to the national Civil Service Reform League, only three rejections had occurred in the last twenty-seven years. Millburn, Park Ridge, Rutherford, Teaneck, West Orange, and Wood Ridge are the municipalities that adopted the merit system; it lost in Bayonne, Belleville, Denville, East Rutherford, Garfield, Hawthorne, Madison, Passaic, Dunellen,

Fairlawn, and Bergenfield. Under the civil service law of New Jersey the state Civil Service Commission administers the local personnel system where a city so elects. There is no provision for local commissions.

Highland Park, Michigan, approved a merit system for all city employees without qualifying examinations, while Garden City, in the same state, voted to place the position of chief of police under civil service.

Other civil service gains included the extension of the system in Detroit to cover employees of the municipal house of correction, thus bringing virtually all Detroit city departments under the merit system.

Cleveland voters approved an amendment to their city charter which, by extending the merit system to some 5,000 unskilled employees and several small categories in the city service, brings under the merit system all but policy-determining officials. The amendment also requires the civil service commission to classify all positions in the classified service and the city council to establish salary schedules so that the same rate of pay shall apply to like services, and provides an effective promotional system within the civil service.

In Portland, Oregon, voters approved an amendment to the city charter permitting the civil service commission to prescribe any qualifications which it deems proper for any classified civil service position. The amendment also provided definite age limits for members of the fire department.

The addition of the eight cities brings the total number adopting civil service provisions during 1938 to sixteen.

Other Election Results²

Massachusetts adopted a proposal for biennial legislative sessions, instead of annual. Oklahoma defeated a plan to reduce the size of the legislature. The plan called for the election of one member of the house of representatives for each county regardless of population.

California and Washington defeated restrictive labor measures as to picketing and the conduct of strikes; but Oregon adopted an anti-labor measure drastically restricting picketing, boycotts and union funds.

California voters approved a referred

¹For a description of these amendments see NATIONAL MUNICIPAL REVIEW for September 1938, pages 432 and 456; also page 592 of this issue.

²See also pp. 615 and 616.

measure to abolish its "temporary" state relief administration, set up in 1936, and empowered lawmakers to deal with unemployment relief, thus paving the way to integrate the state's entire welfare program as some thirty states have done the past two or three years. Michigan voters, however, refused to accept a proposition to consolidate the ten state agencies working on various aspects of welfare.

South Dakota voters retained a five-man unemployment compensation commission by defeating a proposal for a one-man commissioner.

Arkansas passed a workmen's compensation measure, Georgia empowered counties to levy taxes for medical care and hospitalization of the indigent sick.

Texans aspiring to public office were relieved of the constitutional requirement to swear they had never fought a duel.

Intergovernmental Relationships Considered at A.M.A.

Among the resolutions adopted at the annual conference of the American Municipal Association in October was one stressing the importance of local self-government. The resolution urged the state leagues and their member municipalities to inform citizens and state officials of the dangers arising from the tendency to centralize at state capitols control over matters which can be administered by local officials under the direct supervision of the citizens of their respective communities.

In connection with relief, however, it was felt that the present program tends to burden local government finances more heavily than can be supported out of local resources. It was, therefore, recommended that the executive committee of the American Municipal Association initiate a thorough joint study by the federal, state, and local governments of this problem to the end that a permanent policy may be formulated, providing for a sound method of financing and the most economical plan of administration.

Inasmuch as approximately 40 per cent of the total motor vehicle traffic was stated to be borne by city and village streets, while a considerably smaller share of motor vehicle revenues is returned to cities and villages, it was resolved that the association collect accu-

rate and complete data as to existing highway aids and policies with respect to the various levels of government and supply such material to each of the state leagues.

In the belief that federal or state taxation of municipal salaries and bonds would raise municipal costs, it was recommended that any proposed change in tax exemption should be compensated for through local taxation of state and federal property, a municipal share of state or federally collected income taxes, or otherwise.

Local Government on the Air in Wales

The National Association of Local Government Officers, in Great Britain, has begun the use of radio to increase the interest and information of the public in municipal government. The NALGO arranged with the BBC for a series of weekly broadcasts from the Welsh regional station, beginning October 12th, under the general title of "Getting and Spending the Rates." The experiment in Wales is expected to be the forerunner of more widespread use of radio for this purpose.

Government and Electric Power

A nonpartisan appraisal of the relation of government to the electric light and power industry is to be undertaken by a special committee appointed by the Twentieth Century Fund, according to a recent announcement by Evans Clark, executive director. J. Henry Scattergood, former public service commissioner of Pennsylvania and a director of several corporations, is chairman of the committee, which consists of seven members representing both the utility company and the public point of view. The study is not for the mere exposure of evils, but is for the sake of sound and constructive future policies.

Rutgers Course for Local Finance Officers

A basic eight-weeks training course for municipal finance officers will be offered during December and January by the university extension division of Rutgers University, New Brunswick, New Jersey. It is intended for members of municipal governing bodies, auditors, comptrollers, treasurers and their assistants, and is planned in coöperation with the Municipal Finance Officers' Association of New Jersey, affiliated with the State League

of Municipalities. The course will be given in Trenton and in Newark.

State Police Organize to Solve Interstate Problems

Appointment of five regional chairmen on November 7th marked the final step in the organization of the new State and Provincial Police and Highway Patrol Executives, according to announcement of the International Association of Chiefs of Police.

The state and provincial police group was formed recently as a branch of the International Association of Chiefs of Police, to co-operate in the solution of crime and highway safety problems of more than one-state concern. The new organization has mapped the United States and Canadian provinces into five regions to carry out the plan, which will require perfection of an efficient information exchange. Major emphasis will fall on encouraging the development of interstate teletypewriter communication and interstate radio blockades, which have proved beneficial on the east and west coasts and in the middle west.

County and Township News

By PAUL W. WAGER

Another California County Wants a Manager

There has recently been placed before the Butte County Board of Supervisors the recommendation of the grand jury and the Butte County Progress Council that it appoint an executive secretary to act as manager. A salary of at least \$4,500 a year is recommended. The same groups also urged the reorganization of the county medical service. They recommended the appointment of a full-time county physician and surgeon at a salary of \$3,000 a year and mileage who should not be permitted to engage in private practice.

County Affairs Considered in Virginia

The annual convention of the League of Virginia Counties was held at Virginia Beach, December 1st and 2nd. Advance announcements indicated that this should be one of

the most important meetings in the history of the League because of the fact that county government in Virginia again is receiving much consideration.

Two Amendments Ratified in North Carolina

At the recent November general election the voters of North Carolina ratified two amendments to the state constitution. One extended the terms of office of sheriff and coroner from two to four years. The clerk of the Superior Court has heretofore been elected for a four-year term, so that now all the constitutional officers of the county in North Carolina will enjoy a four-year term. It was the intention of the originators of the amendment that the election should not occur in the years of a presidential and gubernatorial election, but it may not work out that way, for the court may not rule that those officers elected this fall can serve four years.

The second amendment authorized the creation of a state department of justice. While such a department could have been created by statute the amendment removes all doubt as to constitutionality and permits as sweeping a reorganization as the legislature is disposed to effect. It is almost certain that a bureau of investigation and identification will be set up in the office of the attorney-general, and quite likely the attorney-general will be given more effective control over all prosecutions.

Centralized Purchasing Produces Large Savings in a Pennsylvania County

In the light of the experience of Fayette County, Pennsylvania, there is no doubt that a centralized purchasing system provides a short route to substantial savings in counties where supplies and materials are now bought individually by the various courthouse offices. Conservative estimates show that more than \$5,000 a year is being saved for the Fayette County taxpayers as a result of the plan.

The present board of county commissioners inaugurated the system upon starting its current term in 1936, giving the chief clerk authority to do the buying for all courthouse offices, at no additional salary. The effects of the change were immediate. As compared with purchases amounting to

\$16,507.35 for 1935, the cost of the same purchases made for the various departments during the first year of centralized, long-range buying dropped to \$8,466.53. Moreover, the purchasing agent, after careful comparison of all purchases for the two years, conservatively calculates the average savings at \$5,257.57 a year, with due allowances made for all commodities which normally decreased in price during 1937. The estimate, incidentally, does not include a \$500 increase in inventory built up during 1937.

The almost unbelievably high percentage of savings in Fayette County has been due entirely to the change from a grossly inefficient system of buying in each department—without regard to price and just as the various items were needed—to a system of centralized buying.

Your Dollar's Worth

Montana Lengthens Terms of County Officers

At the general election on November 8th the Montana electorate ratified a constitutional amendment lengthening the terms of most of the county officers from two to four years. The officers affected are sheriff, treasurer, clerk and recorder, assessor, surveyor, coroner, superintendent of schools, and public administrator. The amendment did not cover the county auditor, the county attorney, the constables, or the justices of the peace, all of whom are now chosen for two-year terms. Only four of the more populous counties now elect a county auditor. It is probable that the extended term will not apply to those officers chosen at the recent election, those chosen in 1940 being the first to enjoy the longer term. However, the court may rule otherwise.

R. R. RENNE

Montana State College

City-County Consolidation Favored in California

Declaring themselves opposed to the proposed merger of Burlingame and San Mateo, the city officials of Burlingame have ex-

pressed themselves more in favor of the suggested consolidation of all of San Mateo County into a city-county form of government similar to that of San Francisco, reports the *Burlingame Advance*. If the two cities are merged, one must lose its identity whereas under a county-wide consolidation each community could keep its individuality. Moreover, it is recognized that the various governmental units on this small peninsula should be consolidated to cut down expenses.

Abolition of J. P. Courts in Knox County, Tennessee, Seems Assured

Enactment of a General Sessions Court law for Knox County (Knoxville), Tennessee, at the next session of the general assembly now appears certain. The six state legislators elected from Knox County unanimously pledged their support of the proposed General Sessions Court bill as drafted by the Knox County Bar Association. The proposed bill would transfer all civil and criminal judicial powers of the justices of the peace to a General Sessions Court, composed of three salaried judges. The first judges are to be appointed by the governor and their successors are to be popularly elected. Revenues in excess of salaries are to be turned into the county treasury. The plan is patterned after the Davidson County (Nashville) court, which is said to be operating successfully since its establishment less than two years ago. Proponents of the General Sessions Court claim that it will eliminate the fee-grabbing activities that have been prevalent in the Knox County magistrate courts, improve the present system of recording cases, and end the large annual appropriations necessary to cover costs in cases where the defendant is unable to pay. The justices of the peace will retain their legislative powers as members of the quarterly court. Since the General Sessions Court was a predominant issue in the local race for the state legislature, the election of candidates pledged to its support may be viewed as popular censure of the justice of the peace courts.

LYNDON E. ABBOTT

Tennessee Valley Authority

Few Fiscal Amendments Voted in November

California Defeats Pension and Tax Plans

By WADE S. SMITH

With all but seven of the forty-eight states submitting constitutional amendments or initiative measures to their voters on November 8th, a surprisingly small number of proposals were added to the states' organic and statutory law. No new tax rate limitation measures were adopted (although Washington's forty-mill limit law was amended and re-enacted) and there were no additions to the list of states having homestead tax exemption (although Florida and Louisiana both enlarged the scope of existing exemptions).

In California the \$30-every-Thursday pension plan for all residents over fifty years of age was decisively defeated, but in Colorado the voters refused to remove from the state constitution the present pension plan and place pensions under the jurisdiction of the legislature. Oregon rejected a pension plan of the Townsend type which would have been financed by a 2 per cent transactions tax, but instructed the legislature to ask Congress to call a constitutional convention to consider the Townsend plan. Nebraska refused to license slot machines to finance old-age pensions. Missouri reduced eligibility age for old-age pensions from seventy to sixty-five years of age, while in North Dakota old-age pensions were raised from \$30 to \$40 a month. In Arkansas an old-age assistance plan was ruled off the ballot prior to the election.

Four states—all of those submitting this type of measure—voted to end diversion of gasoline tax funds. They were Alabama, California, New Hampshire, and Michigan. Each specifically earmarked gasoline tax revenues for road and highway purposes.

In Arizona voters defeated the only new homestead tax exemption measure to be submitted, a proposal which would have exempted up to \$5,000 "true valuation" of owner-occupied property. The voters of this state also rejected a highly complicated tax limitation proposal which would have placed rate limitations on various excise taxes as well as on ad valorem levies. The measures were

so obviously detrimental to state and local finances that they were opposed by virtually all the taxpayers' and civic organizations in the state.

The single-tax proposal, which has been submitted to California voters periodically in the past, was again overwhelmingly defeated. The measure as submitted this year would have repealed the unpopular sales tax, granted a \$1,000 homestead exemption, and shifted the ad valorem property tax to land alone over a ten-year adjustment period. The state's present revenue system is highly diversified, and the sales tax has been instrumental in rehabilitating the state's finances and particularly in relieving local property levies of a substantial portion of the burden for schools.

The re-enactment of Washington's forty-mill tax rate limit continues the over-all limitation which has wrought such havoc in this state, although with an amendment which may relieve the pressure on some units. The new law, which like prior ones was an initiative measure, gives the state some flexibility in the allocation of the two mills formerly allocated to the state for higher educational purposes. The two mills may now be allocated to cities or towns. The additional millage would be of little use to a seriously involved situation such as Seattle, but may be of assistance to less hard pressed municipalities.

An amendment authorizing a graduated net income tax in Washington was defeated. New Hampshire defeated a tax reform amendment which would have authorized graduated income and inheritance taxes, a limited sales tax and classification of timber property, stock in trade, and machinery. Maryland rejected a graduated income tax.

By and large, the election results seem to indicate a trend away from the tax exemption and tax rate limitation legislation so popular a few years ago. On the other hand, even though the two west coast pension plans of least desirability were defeated, the trend toward enlarging the scope of old-age pensions and making the benefits more generous than the basic scale provided in the federal social security program was quite apparent. In particular, the failure of Colorado voters to put their highly expensive pension plan under legislative control is to be regretted. The

existing measure has seriously weakened the general fund's fiscal position, and a more workable system was expected to result from transfer of the plan from the constitution to statute, where it would be susceptible of legislative control.

Also unfortunate is the evident trend toward further earmarking of revenues for specific purposes, as shown by the anti-gasoline tax diversion measures adopted. Earmarking of funds has proven pretty consistently to be an unwise accounting practice, and the gasoline tax in particular has been an important factor in permitting a continuation of state activities in a number of depression-born crises in recent years. On the whole, however, the voters appear to have exercised a fairly commendable attitude, with the overwhelming majority of questionable measures defeated.

EDITOR'S NOTE.—A description of the amendments providing new municipal finance provisions for the constitution of New York State will be found on page 592.

P. R. Ban Overwhelmed in New York

Cities Vote on P. R.

By **GEORGE H. HALLETT, JR.**

Amendment number 7, which would have prohibited the future use of proportional representation for any election in the state, was voted down by the electors of New York on November 8th by more than two to one. This and two other amendments (number 2 on reapportionment and number 5 on the judiciary) were the only ones defeated of the nine questions submitted by the state constitutional convention.

As we go to press the total vote has not been announced even unofficially. The complete official New York City vote was 355,031 for the ban, 775,038 against it. The vote outside New York City, with returns from less than a fifth of the election districts still missing, was 236,789 for and 655,481 against, making an incomplete total of 591,820 to 1,430,519.

The closer vote in New York City is explained by the fact that large parts of the Tammany organization in Manhattan and its Democratic allies in other boroughs disregard-

ed the official opposition of the state Democratic platform and worked hard, as expected, for the amendment's adoption. Nevertheless the ban was defeated in every borough, including Richmond (Staten Island), which had not given P. R. a majority when it was adopted two years before. The Bronx and Brooklyn defeated it by more than two to one.

The issue, of course, was home rule on P. R. rather than the merits of P. R. itself, but a gratifying majority throughout the state has recorded itself as willing to let the plan be tried wherever the voters desire it. The net result of the political attack on New York City's promising experiment has been to give P. R. several million dollars worth of free and favorable advertising.

Yonkers Adopts P. R. and Manager Plan

On the same day that the voters of New York State voted down the proposed ban on P. R., the voters of Yonkers, New York, adopted it for future elections of their common council. They did so by approving a comprehensive city charter amendment which provided also for the city manager plan of government. The vote was 24,072 to 21,160.

This was Yonkers' fourth vote on the adoption of the city manager plan and its second on the manager plan with P. R. A proposal very similar to the one just adopted was narrowly defeated a year ago. An informative account of this year's successful effort will be found on page 569.

Yonkers is a city of about 135,000 population according to the 1930 census and ranks next after New York, Cincinnati, and Toledo in size in the roster of American P. R. cities. It lies on the Hudson River immediately north of New York City. Since it will hold its first P. R. election on the same day as New York's second next November, plans are being made for a joint educational campaign for the two cities.

The Yonkers P. R. rules are patterned closely in most respects after those of New York. The two are alike in prescribing a fixed election quota and a number of members determined by the number of times this quota is contained in the total valid vote. In Yonkers the nearest odd number to the

quotient will always be taken as the number of members to be elected, so as to avoid the deadlocks which an even membership might produce. The quota will be ten thousand, which is expected to produce a common council of seven or five.

The Yonkers P. R. ballot will be completely nonpartisan. Any three hundred voters on the preceding registration list will be able to nominate a candidate, with the usual rule that no voter may sign petitions for more than one.

Vacancies will be filled by recounts, according to the P. R. rules, of the ballots which helped to elect the vacating member or members, together with the ballots which became exhausted at the preceding election. This provision has the effect of allowing those who voted at the preceding election but are not represented by the councilmen remaining in office to fill the vacant seats with their favorite candidates among those who were unsuccessful at the regular election and are still eligible.

Massachusetts Cities Defeat Plan E

Three Massachusetts cities, Cambridge, Quincy, and Northampton, voted—unsuccessfully—on November 8th on the adoption of a Plan E charter—an optional form of city government providing for the city manager plan and proportional representation. In Cambridge the vote was extremely close—21,722 to 19,955; in Northampton the vote was 4,733 to 3,499, and in Quincy, 17,029 to 11,598.

The campaign in Cambridge, led by Dean James M. Landis of the Harvard Law School, was a spirited one. One of the strongest opponents of the new charter was the city council. Failing in its attempts to keep the referendum off the ballot, the council passed a resolution requesting the state to make a new municipality of Harvard University—from whence, it said, sprang the Plan E idea. This proposal was promptly taken up by the students of Harvard and Massachusetts Institute of Technology, putting the whole matter of city management and P. R. for Cambridge on the front pages of the newspapers the country over. Opposition also came from the Democratic organization and from city employees—who feared (with little reason) the loss of their jobs.

It is interesting to note that the total vote on Plan E in Cambridge was far in excess of the total vote on each of eight other referenda. The *Boston Post* said, "The margin of 1,328 [official count 1,767] for the 'no' vote, with more than 40,000 ballots cast, was regarded as a moral victory for the Plan E group. Pre-election estimates had predicted defeat by a sizeable margin, but the results were in doubt until the final precincts had been counted." Plan E proponents have already announced that the fight will continue.

Northampton also conducted an energetic campaign. According to the Northampton correspondent of the *Springfield Republican*, "Campaigning on this question . . . was bitter, especially in the final hours and most of the verbal arguments about the polling places arose over this matter." The Democratic organization made the question a party issue, stating that the proponents of the plan were chiefly Republicans. Had a few more days been available to combat the false statements circulated at the last moment, victory would probably have been assured.

In Quincy the campaign was conducted by the Quincy Taxpayers Association, of which William M. Edmonston is executive secretary. At the association's annual meeting held shortly after the election it was voted to start an educational campaign immediately and place the issue on the ballot again in 1940.

Schenectady's First P. R. Campaign

The first attempt to adopt proportional representation in Schenectady failed on November 8th, when the voters rejected a proposed local law to adopt that method as the means of electing the city council. The vote, which was considerably heavier than is usual on local propositions, was "no", 13,591; "yes", 10,249. Sixteen thousand did not vote on this question.

Schenectady adopted "Plan C" in the election of 1934 and is still operating under it. This plan provides for a city manager, six councilmen, and a mayor who is a member of the council and acts as its chairman. The councilmen are elected at large and the mayor is elected separately. Council terms are four years and staggered so that three councilmen are elected in each odd-numbered year.

The proposed local P. R. law would have

increased the number of councilmen to nine, to be elected at large by P. R., and would have had the mayor chosen by the council from among its own number. It would also have changed the terms of office to two years, running concurrently.

This proposed law was sponsored by the Citizens Council for Proportional Representation, a nonpartisan group formed for the purpose. Operating under section 19-a of the city home rule law, this group submitted the proposed law to the city council in the form of a petition signed by more than 10 per cent of the city's registered voters. When the council refused to put this question on the ballot for a vote of the people, the Citizens Council submitted a second petition signed by an additional 5 per cent of the registered voters, thus forcing the question onto the ballot.

A taxpayer's action was brought to prevent a vote on the question but failed when Supreme Court Justice O. Byron Brewster gave a decision in favor of the Citizens Council. This decision was upheld in the appellate division and by the court of appeals.

The Republican organization, which in 1935 and 1937 polled 36 per cent and 46 per cent of the votes, respectively, and yet won nine out of ten places because of a divided opposition, began an intensive drive five days before election to defeat the P. R. law.

By radio, direct mail, a house-to-house canvass and by newspaper publicity they branded P. R. "radical and un-American," "a minority system, which would result in electing Communists, Socialists, and the like to the council." The timing of their drive made effective rebuttal impossible, though a statement of the case for P. R. was printed in leaflet form and widely distributed.

In addition the situation was confused by the presence on the ballot of nine New York State constitutional amendments, and particularly by number 7, which required a "no" vote to make P. R. possible anywhere in the state while a "yes" vote was required for its adoption in Schenectady. These circumstances combined to defeat the P. R. law, but the "yes" vote was so large as to convince the Citizens Council that next year

they will win. Work has already begun on the 1939 campaign, morale is exceptionally high, and we are confident that, like Yonkers, we will adopt P. R. on our second try.

R. K. HAMLEN, *Chairman*
Schenectady Citizens Council for P. R.

Henry Bentley, the Great Strategist of P. R.

The untimely death on October 21st of Henry Bentley, first chairman of the Cincinnati Charter Committee, robbed the proportional representation movement of one of its greatest figures. Aroused to action originally by the toll of human misery exacted by political machine rule, he helped to organize the spectacular Cincinnati charter revolt in 1924 and gave the phenomenal good government regime which followed and still continues the full benefit of his unusual talents until the day of his death.

The clear-eyed wisdom of Henry Bentley had much to do with the numerous critical decisions which raised one of the worst governed cities in the country to the pinnacle of the best and which have kept it there for thirteen years. So great was the reliance on his advice that he was often called jestingly "the reform boss of Cincinnati."

When P. R. was attacked by machine politicians in the primary of 1936, he was one of the leaders in its vigorous and successful defense. He was a member of the council of the Proportional Representation League from 1929, and of its board of trustees from 1934, till the time of his death. His shrewd analysis of Cincinnati elections and the effects of P. R. have appeared from time to time in the columns of the PROPORTIONAL REPRESENTATION and NATIONAL MUNICIPAL REVIEWS. He was called frequently to other cities to guide them in their efforts to emulate Cincinnati's example. He helped measurably to prepare the way for the adoption of P. R. and the new charter in New York.

It may truthfully be said that Henry Bentley's life continues as an integral part of the renaissance of municipal government throughout the United States. He established his policies so well that their execution will continue without his words to urge them.

G. H.

Highway Zoning Sustained by California Court

Design in Community Planning Upheld for Monterey County

By ALBERT S. BARD

In a short decision full of good sense County Judge Maurice T. Dooling, Jr., supports a Monterey County (Calif.) highway zoning ordinance which places the community interest in the appearance of the highway and its abutting strips paramount over the desire or whim of the abutting private owner. The case is *Monterey County v. Bassett*, decided in October 1938. It involves protection to the San Simeon Highway along the California coast.

In an opinion of only slightly over five hundred words Judge Dooling deals with the question of "esthetics and the constitution"; the commercial asset to a community and to private owners of sightliness in their highways, buildings, and structures; the value of the tourist trade; the pioneering in community planning embodied in the Monterey ordinance; the wholesome evolution in the judicial attitude toward community planning (including civic design) and toward the police-power; and concludes with a delightful hint to judges of the higher courts that if they overrule him, as they have power to do, he will still be right and they wrong, and that the judgment of time will so show.

With the significance of the case before him, as thus briefly summarized, the reader will wish to know what, concretely, are its facts.

The defendant, Bassett, had an automobile service station adjoining the San Simeon or Coast Highway in Monterey County. When in 1934 the county adopted an amendment to its zoning ordinance this business was included in a highway commercial district. Later Bassett decided he would like to move, and he did, moving his station a half-mile down the road into an agricultural district. The little formality of securing a permit, or of obtaining a reclassification under the zoning ordinance of the new location, was ignored. Thereupon the county sued to enjoin Bassett;

Bassett demurred to the complaint, claiming the ordinance to be unconstitutional; and now Judge Dooling overrules the demurrer, with the opinion above, holding the ordinance to be a valid exercise of the police-power.

It is a pity that the entire opinion cannot be quoted. But the following extracts will indicate its good sense:

Basically the question here involved is this: Can the Board of Supervisors of Monterey County constitutionally impose certain building regulations upon the owners of property along the San Simeon Highway for the purposing of protecting the natural beauties of the section traversed by it? . . . The purpose of the questioned regulations is expressed in section 14a as follows: "to protect adjoining property values, or the investment of public funds spent in the construction of scenic roads, or the general welfare inherent in an orderly and decent treatment of the scenery of the state of California, by insuring buildings in good taste, proper proportion, and in harmony with their surroundings."

Any person of average sensibilities who has seen so many of our highways defaced with the customary clutter of hot-dog stands and other commercially used eye-sores and architectural monstrosities must have sympathy for the purpose so expressed. However, the ordinance must be recognized as a pioneering effort in the field of police regulation, and the question remains: Can such a purpose be constitutionally accomplished?

I take it as settled that the police power cannot be exerted constitutionally for purely esthetic reasons. But what of the case where the esthetic affects property values and general economic welfare? . . .

I am convinced that within reasonable limits such regulation should be sustained, and I have accordingly decided to overrule the demurrer. Perhaps a higher court will decide that in doing so I have attempted to force the hands of the clock forward too rapidly. If so, I am still confident that time will ultimately justify my judgment.

We might remind the reader that the Chevrolet roof-sign which offended Boston for so many years was finally banished on purely esthetic grounds. Its commercial propaganda was inconsistent with the dignity of the Massachusetts State House and neighborhood (*General Outdoor Advertising Co. v. Department of Public Works*, 289 Mass. 149).

Research Bureaus Tackle Questions on the Ballot

Analyses of Questions Before Voters Make for More Intelligent Action

Research Groups Meet

Word comes that the chamber of commerce of one municipality in New York State is hiring independent outside experts to examine the proposed city budget. They want to know what it's all about, and they are willing to spend money to find out.

The action brings into sharper focus than ever the value of municipal research bureaus, which consider it all in the day's work to supply such nonpartisan information to any inquiring mind desiring it. The short ballot advocates have not suggested curtailing the annual grist of technical charter changes, constitutional amendments, bond issues, and other substantive questions on which the poor addled voter is expected to deliver considered decision every November. This takes its place with budgets and annual reports and council meetings as one more phase of the citizen's problem. Who's to tell him what it's all about?

The research bureaus have just been tackling the November ballot. In New York the Schenectady bureau chose to keep out of the hot sun of controversy over the nine constitutional amendments offered the voters by the state's constitutional convention,¹ and thus made no recommendations for or against, but it devoted three pamphlet pages to a description of the contents of the amendments and on a fourth page presented specific recommendations made by eleven representative political and citizen organizations. The Buffalo bureau made similar analyses in successive bulletins, but took its stand with the Citizens' Union of New York City on how to vote. The Citizens' Union, though not strictly a research organization, has been doing yeoman work in its exhaustive, authoritative, albeit practical, yearly recommendations to New York City voters.

In Michigan the ballot was weighted down with only four substantive proposals. The

Detroit bureau's "Just a Second" pointed out for the unwary that one of the amendments, popularly titled "the firemen's three-platoon plan," in reality concealed a program of labor relations for all city employees engaged in local city activities. Thus to strip programs and parties of their catchwords, revealing the underlying true implications, is a service desperately needed in every phase of civic life. The Detroit bureau adopts an informal editorialized method in discussing the ballot, which loses the sheer objectivity of the purely descriptive manner, but gains in clarity for the voter who reads and runs.

Research bureaus all over the country put out election releases similar to those in Detroit and New York but these were singled out to show the methods and the trends. That voters in California turned down \$30-every-Thursdays and voters in New York spurned the P. R. ban, a dangerous judiciary amendment, and a lopsided legislative reapportionment must indicate that educational work by nonpartisan agencies can be effective. (This is not to imply that the research bureaus alone were responsible for all the intelligent voting last month!)

The elections also brought forth from some bureaus a consideration of the cost of voting in this country. The Citizens' League of Cleveland found that Ohio election costs are too high, and to prove it published tables showing costs elsewhere in the country. The average annual cost of one vote in Ohio is \$1.06, although St. Louis wins some sort of country-wide booby prize with \$2.14 a vote. The secretaries of state in many states have in their possession election cost figures for their state, and it was from this reservoir that the Cleveland league's figures were taken. The bulletin points out six concrete ways in which the cost of that standard American commodity, the vote, may be reduced. Centralized purchasing (of ballots) is one of them!

National Research Group Meets

Old-timers in the Governmental Research Association wandered memory lane last week at the National Municipal League's Baltimore conference on government. The first meeting of the GRA was held in Baltimore in 1914, making the organization just a quarter of a

¹See pages 592 and 611.

century old at its twenty-seventh meeting two months ago in Princeton, New Jersey.

The silver jubilee of the GRA was an appropriate time to take stock of its phenomenal growth since that first Baltimore meeting. Statistics for September's conference at the Princeton Inn show that a total of two hundred registered during the four-day conference, while the average attendance at all of the sessions was one hundred, both of them record-breaking figures.

Unemployment relief and social security were headline attractions at Princeton, both of them topics unheard of in 1914 except, in the case of the latter, by "visionaries" and "radicals." Carl Herbert, director of the St. Paul Bureau of Municipal Research, presided, and outlined to the conference the statement on relief which had been presented early this past spring to the United States Senate Committee on Unemployment by some eighteen directors of governmental research bureaus. Several local bureau directors reported on the relief question in their own communities. Storm center of the session was Nels Anderson, chief of the labor relations section of WPA and proponent of "The Right to Work" (he is the author of a book so entitled) and of a point of view somewhat at variance with the report of the eighteen bureau directors.

At the association's annual banquet awards were made to Donald C. Stone, Joseph Pois, and Professor Robert S. Ford, for "the most noteworthy pieces of governmental research completed by members of the association during 1937," Mr. Stone, of the Public Administration Service, receiving first place certificate for *A Survey of the Police Department of Greenwich, Connecticut*.

Other highlights of the Princeton program (many of them, be it noted, on subjects which would not have been of interest in 1914) were: the address of Dr. William E. Mosher, of the Maxwell School of Syracuse University, on coöperation between political and social sciences in universities and governmental research men connected with other official and unofficial organizations; Princeton Professor J. Douglas Brown's talk on changes in the federal social security act which are now under consideration; discussion of population trends, with Frank Lorimer, consultant to the National Resources Committee on population problems, as principal speaker; Professor

Charles E. Merriam's address on the research program of the National Resources Committee, of which he is a member; planning and housing discussions with Philip Cornick, Ernest Fisher, Homer Hoyt of the Federal Housing Administration, Herbert Swan, planning and industrial consultant, Maurice Neufeld of the New Jersey State Planning Board, and Miss Catherine Bauer, director of research for the United States Housing Authority, as speakers; finally, a symposium on recent developments relating to the control of local government finance and an address by Luther Gulick relating to the findings of the Regents Inquiry into the Character and Costs of Public Education in New York State, for which he was research director.

Western Governmental Research Association

The first annual conference of the Western Governmental Research Association was held in Los Angeles on October 27th to 29th. Over a hundred persons interested and engaged in problems of governmental research attended the various sessions.

Theme of the conference was "Unexplored Frontiers of Governmental Research." It was an inquiry into new research programs. Instead of merely reviewing what had been done, the conference was concerned with visualizing what could be done. Speakers at the luncheon and dinner meetings considered the theme generally, while morning and afternoon discussions centered around new problems in specific fields—welfare, finance, personnel, administration, and research techniques.

Guest speakers at the conference were Dr. William E. Mosher, dean, Maxwell School of Citizenship and Public Affairs, Syracuse University, New York; Dr. Joseph Harris, director of research, Committee on Public Administration, Social Science Research Council; Dr. Baldwin M. Woods, chairman of district 10 of the National Resources Committee; and Colonel Wayne Allen, chief administrative officer, Los Angeles County.

The following were elected as officers of the association for the coming year: *president*, Stuart R. Ward, Commonwealth Club of California; *executive secretary*, Samuel C. May, University of California; *executive committee*, Dewey Anderson, Edwin A. Cottrell, Herbert F. Ormsby, John M. Pfiffner, Harry F. Scoville, and Walter C. Thiel.

NEW LONDON FIGHTS A HURRICANE

(Continued from Page 591)

posal system in compliance with state and federal laws." Sub-committee "C" undertook "waterfront development, including both public and private pier reconstruction." Sub-committee "D" inquired about the "repair of city parks and beaches." Sub-committee "E" is interested in the "development and extension of public facilities at Ocean Beach." Sub-committee "F" is looking into "the repair, location, or construction of school buildings which may be in harmony with the general plan of reconstruction." Sub-committee "G" was delegated the job of finance.

Proposals thus far advocate the municipalization of Ocean Beach, the construction of a new garbage disposal plant, the modernizing of the water system, the expansion of school facilities, the widening of main arteries of traffic. These and other reforms under advisement would involve adding two or three million dollars to the present net debt of \$1,600,000. Most likely improvement will be made slowly rather than at one stroke.

Because of an efficient city manager government New London has been able to meet the problems brought by its greatest catastrophe. Its populace is thankful.

COMPARATIVE TAX RATES

(Continued from Page 598)

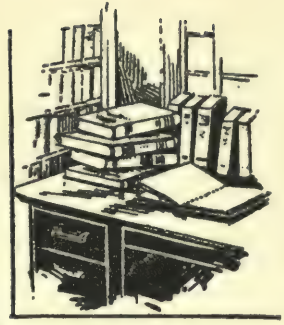
Table V above, showing the per capita assessed values, must be considered with table III showing the increase in the tax rates for the same period.

Group II cities which showed the greatest increase in adjusted tax rate—\$1.70—show a very slight decrease in per capita assessed value, .3 per cent. Group I cities show practically no change at all in assessed value. While the increase in the rate of group III cities is shown as only \$.72 in table III, group III cities show the greatest increase in assessed value, namely, 2.25 per cent.

Table VI shows the trend of assessed values for the past six years compared with the increase in the adjusted tax rates for the same period. As shown in table I, the assessed values have been practically stationary for the past three years, despite a considerable building program by the federal government.

Table VI shows a rather serious situation facing the larger American cities. Assessed values, upon which the most important source of revenue is based, have decreased about one-fifth, or 18.2 per cent. Whether these assessed values will ever return to their former level is subject to question. If not, then a considerable part of the ability to pay property taxes is lost to these cities. To compensate for this loss, tax rates have increased about one-sixth, or 15.2 per cent. In the smaller cities, the shrinkage in property values has been less, and the increase in the tax rates has been progressively smaller, although all show some increase. It is probable that the larger cities resist efforts to curtail the essential functions of government more than the smaller ones, and further, the larger cities are faced with heavier burdens due to the depression.

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

Public Personnel Problems from the Standpoint of the Operating Officer. By Lewis Meriam. Washington, D. C., Brookings Institution, 1938. 440 pp. \$3.00.

It has been Mr. Meriam's objective to write a book which would see public personnel administration as a whole, which would view it primarily from the standpoint of the operating officer, and which would deal with the field simply and realistically. Public personnel administration when seen as a whole, he believes, is divided into three main branches: (1) "operating personnel administration"; (2) "control personnel administration"; and (3) "development personnel administration."

The outstanding characteristic of the volume is the shift from the orthodox emphasis upon central or "control" personnel administration to an emphasis upon operating personnel administration. The author justified this departure by pointing out that the intimate association in the United States between public personnel administration and the movement to eliminate spoils has resulted in a preoccupation with "control" features. Once he has established his point of view as that of the operating officer, Mr. Meriam is content to adhere to the conventional series of topics which have become standard items in public personnel discussion. He succeeds, however, in bringing to each problem—classification, selection, salary, hours and conditions of work, retirement, morale, employee organizations and employee political activities—both the unorthodoxy of his own personal point of view and the "practical" viewpoint of the operating officer. His sympathies are definitely with the management unit, but even the advocates of greater centralization of personnel administration will find his comments enlightened by common sense and a rich experience.

On two topics Mr. Meriam dissents from the current majority view among personnel administrators in the United States. In the first instance, he is skeptical about the career service. His fears seem to be based largely upon the attempt by those who are overzealous of the career service concept to import without modification the pattern of the British administrative class, and upon the possibility that universities and colleges may train far too many aspirants for a public career service. No one who has thought carefully about the career service in the United States will disagree with Mr. Meriam's cautions. But the danger of neither seems substantial to this reviewer.

In the second instance, Mr. Meriam forcefully dissents from the current theory that public personnel administration is best conducted when the traditional commission is replaced by a single administrator. He makes an effective case for the retention of the commission as the agency through which "control personnel administration" shall be conducted. He argues that the agency, if it is to control political officers, must have the maximum degree of independence of them; that it must have quasi-legislative powers; that it must exercise quasi-judicial powers; that it must be representative, commanding popular respect and support. The advocates of the single administrator have not yet made an effective rebuttal. Indeed, the proposed model law now under discussion by the National Municipal League, the Civil Service Assembly, and the Civil Service Reform League seems to indicate that the validity of Mr. Meriam's point of view is being partially recognized.

WALLACE S. SAYRE, *Secretary*
Civil Service Commission
of New York City

Building Citizens for a Better City. Budget 1939. Rochester, New York, Board of Education, 1938. 24 pp.

The picture magazines and their predecessors, the tabloids, have builded well. At last even city governments are realizing that, whether they like it or not, man reads and runs—or is it runs and reads? The Rochester Board of Education presents this year, as it has for several years past, a pictorialized budget, quite in the manner of *Life Magazine* itself. Handsome photographs of children in all phases of school activity, plus modest textual inserts describing school aims, effectively sugar-coat the budget, which is separated into its component parts (per pupil costs, tax rate, current income, current expenditure, cost of administration, cost of instruction, cost of auxiliary agencies, cost of operation, cost of maintenance, fixed charges, capital outlay, debt service, capital expenditure, pupil population) in the last half of the report. Pictures and graphs enhance the statistics, too, while a concise and simply written text follows through. The report looks like a magazine, even on the outside, large size, picture book cover, and all.

M. R.

* * *

Government in Small American Cities. Chicago, International City Managers Association, 1938. 37 pp. mimeo. \$2.00.

This report is the result of a questionnaire sent out to all cities having a population of from five to ten thousand and is the first attempt made to gather certain personnel and financial data on American cities of that size. Tables include the names of the city clerk and number of full-time employees for 382 cities; also 1937 revenues, expenditures, and indebtedness for 280 cities.

* * *

Detroit Voters and Recent Elections. By Donald S. Hecock, in collaboration with Harry A. Trevelyan. Detroit, Detroit Bureau of Governmental Research, Inc., 1938. 66 pp. \$1.00.

The investigation, results of which are contained in this volume, was "undertaken to provide a more factual basis for understanding Detroit politics and dealing with election problems." The authors have assembled much

valuable data on the number and location of foreign-born voters, the proportion of eligible voters participating in various elections, those areas in which non-voting is most prevalent, participation of women in voting, amount of independent voting, and the significance of these facts as related to the results of elections. Much of the space of the pamphlet is devoted to charts setting forth these facts in graphic form. Election figures covered reach back as far as 1916.

* * *

Taxpayers' Organizations in the United States. New York, Tax Policy League, 1938. 31 pp. mimeo. Fifty cents.

This is the first time that a register of taxpayers' organizations in this country has been made available for the public. Sixteen national, 78 state, 221 county and township, and 223 city and neighborhood groups are listed. Information is given concerning officers, finances, number of members and purposes of the organization. The groups range in size from less than a dozen to several hundred thousand members. The reduction of taxes, particularly property taxes, is the major objective of most of the groups.

* * *

Recording Council Action in the City Clerk's Office. By Orin F. Nolting and Josephine B. Hollingsworth. Chicago, The International City Managers' Association, 1938. vi, 73 pp. \$2.00.

Up to now, little has been published by way of assisting the city clerk in the efficient handling of his many duties. This pamphlet, therefore, fills an empty spot in the city hall library. The report is based on the results of a questionnaire sent to some 150 cities, of which 85 replied. Suggestions are contained on the preparation and organization of business for council action, the city clerk in council meeting, the keeping and indexing of minutes of council meetings, and ordinances, with a final chapter on special problems—the protection of records and legislative procedure. Tables on present methods, in the cities reporting, of recording council action, content and method of handling published proceedings of council, indexing minutes, etc., are also included.

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